

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370

**W 19a****Addendum**

December 7, 2007

To: Commissioners and Interested Persons

From: California Coastal Commission
San Diego Staff

Subject: Addendum to **Item W19a, City of Oceanside LCP Amendment #1-07 (Downtown "D" District)**, for the Commission Meeting of December 12-14, 2007

Staff recommends the following changes be made to the above-referenced staff report. For the Suggested Modifications that are being amended from the original report, additional language is noted with double underlining and language to be deleted is noted with ~~double strikethrough~~.

1. Add new Suggested Modification #9 as follows:

Suggested Modification #9

Add Article 12 Section "L" Downtown District: Additional Development Regulations as Follows:

Permitted uses within the 100 year floodplain shall be limited to open space, passive recreational uses, public parks, limited horticulture, floriculture, uses permitted within sensitive habitat areas pursuant to the City's certified "Standards for the Identification and Protection of Sensitive Habitats" and private commercial recreational uses. Provided soil placement does not exceed a maximum level of 3 feet above existing grade and that such placement does not adversely impact the flood-plain hydrology of the San Luis Rey River as defined and evaluated by the Army Corps of Engineers, the following development may be permitted in the 100 year flood-plain:

Bicycle and pedestrian paths, landscape, fencing, hardscape, waterscape, pools, tennis courts, putting greens, volleyball courts, basketball courts, driving range, shuffle board courts, horse shoes, lawn bowling, gazebos and arbors.

Within the first 50 feet of the required 100 foot wetland buffer zone, only transitional upland vegetation shall be permitted. Within the second 50 feet of said

buffer zone, only landscape, hardscape, fencing and pathways for bicycles/pedestrians may be permitted.

All floodplain development shall be capable of withstanding periodic flooding without the construction of flood-protective work. Existing environmentally sensitive habitat area will not be adversely affected. There will be no increase in the peak runoff rate from the developed site as compared to the discharge that would be expected once every ten (10) years during a six (6) hour period. There will be no significant adverse water quality impacts and no downstream bank erosion or sedimentation may result from site improvements. All development shall be reviewed for conformance with the policies and standards of the certified San Luis Rey River Specific Plan.

2. Add the following findings to Page 32, second paragraph, of the staff report:

An additional modification has been suggested for the inclusion of language within the existing Zoning Ordinance Article 12 to address development within the floodplain and ensure the provision of adequate buffers from wetland habitat. This language was developed by the City of Oceanside and currently exists in their Zoning Ordinances. As a component of this LCP, the City of Oceanside requested the removal of this language. The Downtown District includes 15 subdistricts and comprises the same geographic area as the City’s adopted Redevelopment Area. The District/Redevelopment Area includes both the San Luis Rey River valley itself and many parcels that abut the floodplain and river valley. Prospective development in those areas, as well as the need to establish appropriate resource protection measures, was one of the initial reasons that the City’s LCP was delayed in being certified. In support of the deletion of those provisions, the City indicated that there are currently no areas adjacent to or within the floodplain, nor is there any wetland habitat, located in the Downtown District where development is being considered at the present time. However, given the importance and sensitivity of the resources present in the river valley, it is incumbent on the City’s LCP to provide for the necessary resource protection measures. In addition, while there may not be any current development pressure evident, redevelopment issues may arise and there are vacant parcels remaining in the area. Therefore, the Commission finds that this language should not be removed from the Zoning Ordinance and needs to be re-inserted. The City agrees with this modification.

3. Modify Suggested Modification #4 as follows:

SUGGESTED MODIFICATION #4

Add Article 4a (Redevelopment) section 450 Visitor Accommodations-Special Requirements, as follows:

Limited Use Overnight Visitor Accommodation Projects - will be required to prepare Covenants, Conditions, and Restrictions (CC& R’s) that shall be recorded concurrently with the recordation of all tract maps against all individual property titles reflecting the use restrictions and will conform to the restrictions outlined

below, including ~~how the transient overnight requirement for summer season will be satisfied and~~ how the required in-lieu fees will be managed.

4. Modify Subsections “p”, “r” and “z” of Suggested Modification #7 (for context, subsection “o” has also been provided) as follows:

SUGGESTED MODIFICATION #7

Add Article 4a (Redevelopment), Section 450 Visitor Accommodations-Special Requirements, as follows:

[...]

- o) Prior to issuance of a building permit and in conjunction with approval of a coastal development permit for the Condominium-Hotel, the landowner(s) of the property(is) within the Downtown “D” District upon which the traditional units/rooms (i.e. transient hotel rooms) are developed shall execute and record a deed restriction(s), subject to the review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission, which prohibits the conversion of those traditional hotel units/rooms to any other type of ownership (e.g. limited use overnight visitor accommodations). The deed restriction shall be submitted for review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission prior to action on the coastal development permit. The deed restriction shall run with the land, shall be executed and consented to by the existing lessee(s) of the affected property(is) and shall be binding on the landowner(s) and lessee(s), and on all successors and assigns of the landowner(s) and lessee(s), including without limitation any future lien holders. This deed restriction(s) shall not be removed or changed without approval of an amendment to the underlying coastal development permit and approval of an amendment to the LCP by the Coastal Commission. However, minor changes that do not conflict with subsections a) and n) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission that such an amendment is not legally required.
- p) The hotel owner/operator shall be required to submit, prior to issuance of a coastal development permit, for the review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission, a Declaration of Restrictions or CC & R’s (Covenants, Conditions & Restrictions) either of which shall include:

 - 1. All the specific restrictions listed in a through n above;

2. Acknowledgement that these same restrictions are independently imposed as condition requirements of the coastal development permit;
3. A statement that provisions of the CC & R's~~est~~/Declaration of Restrictions that reflect the requirements of a through n above cannot be changed without approval of an LCP amendment by the Coastal Commission and subsequent coastal development permit amendment. However, minor changes that do not conflict with a) – n) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission that an amendment is not legally required. If there is a section of the CC&Rs/Declaration of Restrictions related to amendments, and the statement provided pursuant to this paragraph is not in that section, then the section on amendments shall cross-reference this statement and clearly indicate that it controls over any contradictory statements in the section of the Declaration/CC&R's on amendments.
- q) The CC & R's or Declaration of Restrictions described above shall be recorded against all individual property titles simultaneously with the recordation of the condominium airspace map.
- r) The provisions of the CC & R's or Declaration of Restrictions described above shall not be changed without approval of an amendment to the LCP by the Coastal Commission. However minor changes that do not conflict with a) through p) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and Executive Director of the Coastal Commission that an amendment is not legally required.

[...]

z) In-lieu Fee Required

1. New development of overnight accommodations that are not "lower cost" shall be required to pay, as a condition of approval of a coastal development permit, an in-lieu fee to provide significant funding to assist in the creation of a substantial contribution to lower cost overnight visitor accommodations within City limits. The specific dollar amount of the fee shall be \$30,000 in 2007 dollars which shall be adjusted annually to account for inflation (i.e. according to increases in the Consumer Price Index – U.S. City Average) per room for 25% of the total quantity of proposed units.
2. Prior to issuance of the coastal development permit, and upon execution of an appropriate agreement between the City and the designated recipient that assures use of the in-lieu fee for the intended mitigation, the applicant shall transfer the fee to the entity designated in the agreement, which shall be the City of Oceanside, the California State Department of Parks and

Recreation, Hosteling International USA, or similar public agency and/or non-profit provider of lower cost overnight visitor accommodations. If the in-lieu fee, or any portion thereof, is not committed toward a use (i.e. with an effective agreement in place for use toward an identifiable project) within ten year of payment of the fee, the in-lieu fee shall be made available to be applied toward lower-cost overnight visitor accommodations.

3. ~~Limited Use Overnight Visitor Accommodations (including Condominium Hotels) will also be required to pay an in-lieu fee of 1% of the resale cost of the individual unit every time the unit changes ownership.~~

5. Modify Subsections "o", "p", "r" and "z" of Suggested Modification #8 as follows:

- o) Prior to issuance of a building permit and in conjunction with approval of a coastal development permit for the Fractional Ownership development, the landowner(s) of the property(ies) within the Downtown "D" District upon which the traditional units/rooms (i.e. transient hotel rooms) are developed shall execute and record a deed restriction(s), subject to the review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission, which prohibits the conversion of those traditional hotel units/rooms to any other type of ownership (e.g. limited use overnight visitor accommodations). The deed restriction shall be submitted for review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission prior to action on the coastal development permit. The deed restriction shall run with the land, shall be executed and consented to by the existing lessee(s) of the affected property(ies) and shall be binding on the landowner(s) and lessee(s), and on all successors and assigns of the landowner(s) and lessee(s), including without limitation any future lienholders. This deed restriction(s) shall not be removed or changed without approval of an amendment to the underlying coastal development permit and approval of an amendment to the LCP by the Coastal Commission. However minor changes that do not conflict with subsections a) and n) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission that such an amendment is not legally required.
- p) The hotel owner/operator shall be required to submit, prior to issuance of a coastal development permit, for the review and approval of the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission, a Declaration of

**Restrictions or CC & R’s (Covenants, Conditions & Restrictions)
either of which shall include:**

1. All the specific restrictions listed in a through n above;
 2. Acknowledgement that these same restrictions are independently imposed as condition requirements of the coastal development permit;
 3. A statement that provisions of the CC & Rs/Declaration of Restrictions that reflect the requirements of a through n above cannot be changed without approval of an LCP amendment by the Coastal Commission and subsequent coastal development permit amendment. However, minor changes that do not conflict with a) – n) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission that an amendment is not legally required. If there is a section of the CC&Rs/Declaration of Restrictions related to amendments, and the statement provided pursuant to this paragraph is not in that section, then the section on amendments shall cross-reference this statement and clearly indicate that it controls over any contradictory statements in the section of the Declaration/CC&R’s on amendments.
 4. The CC & R’s or Declaration of Restrictions described above shall be recorded against all individual property titles simultaneously with the recordation of the condominium airspace map.
- r) The provisions of the CC & R’s or Declaration of Restrictions described above shall not be changed without approval of an amendment to the LCP by the Coastal Commission. However, minor changes that do not conflict with a) through p) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and the Executive Director of the Coastal Commission that an amendment is not legally required.

[...]

z) In-lieu Fee Required

1. New development of overnight accommodations that are not lower cost shall be required to pay, as a condition of approval of a coastal development permit, an in-lieu fee to provide significant funding to assist in the creation of a substantial contribution to lower cost overnight visitor accommodations within City limits. The specific dollar amount of the fee shall be \$30,000 in 2007 dollars which shall be adjusted annually to account for inflation (i.e. according to increases in the

Consumer Price Index – U.S. City Average) per room for 25% of the total quantity of proposed units.

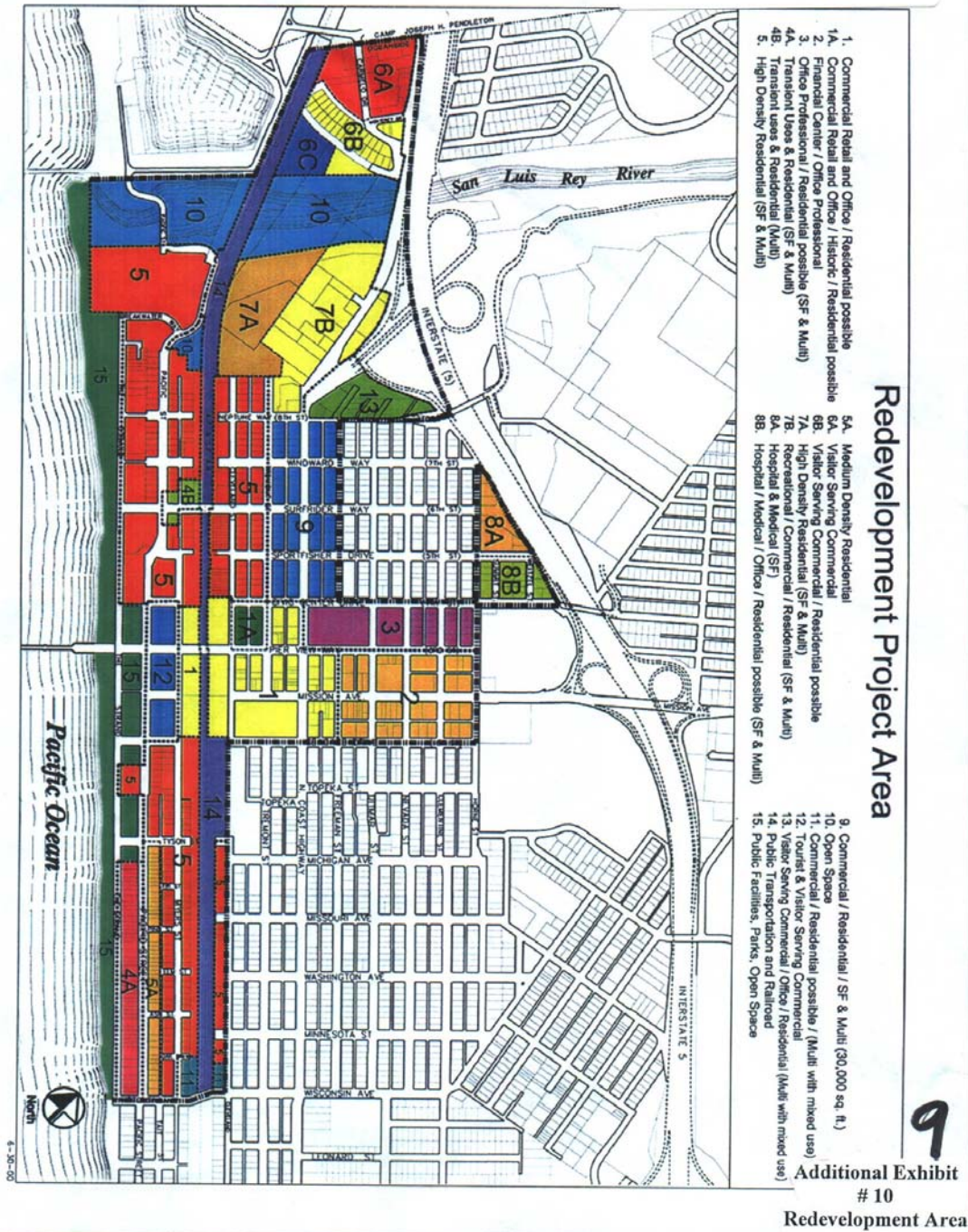
2. Prior to issuance of the coastal development permit, and upon execution of an appropriate agreement between the City and the designated recipient that assures use of the in-lieu fee for the intended mitigation, the applicant shall transfer the fee to the entity designated in the agreement, which shall be the City of Oceanside, the California State Department of Parks and Recreation, Hosteling International USA, California Coastal Conservancy or similar public agency and/or non-profit provider of lower cost overnight visitor accommodations. If the in-lieu fee, or any portion thereof, is not committed toward a use (i.e. with an effective agreement in place for use toward an identifiable project) within ten years of payment of the fee, the in-lieu fee shall be made available to be applied toward lower-cost overnight visitor accommodations.

3. ~~Limited Use Overnight Visitor Accommodations (including Fractional Ownership Hotels) will also be required to pay an in-lieu fee of 1% of the resale cost of the individual unit every time the unit changes ownership.~~

6. Modify Page 32, Paragraph 2, of the staff report to delete the requirement for a resale fee as follows:

~~An additional modification has been suggested for the requirement of a transfer fee amounting to 1% of the resale cost of the individual unit every time the unit changes ownership. This fee has been recommended to mitigate for the restrictive nature of Limited Use Overnight Accommodations. At the point of sale, the hotel owner/operator may have the option to purchase the room from the individual owner, or to transfer the unit to an unrestricted traditional overnight accommodation. By reselling the unit as a Fractional Ownership development or a Condominium Hotel unit, the residential nature of these types of facilities are being perpetuated; and as a result, the visitor serving opportunities of the facility are being minimized. The requirement for a 1% transfer fee when the unit is resold will provide mitigation for the perpetuation of a semi-residential use in a facility designed for visitor serving use. These fees will be managed in the same manner as the in-lieu fees required for the development of visitor serving accommodations that do not include lower cost units.~~

W19a



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COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

W19a

FORM FOR DISCLOSURE
OF EX PARTE
COMMUNICATIONS

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DEC 05 2007

CALIFORNIA
COASTAL COMMISSIONDate and time of communication: 12/5/07 2 pmLocation of communication: SLO Government Center
(If communication was sent by mail or
facsimile, indicate the means of transmission.)Identity of person(s) initiating communication: Morgan RaffertyIdentity of person(s) receiving communication: KATCHO AchadjianName or description of project: SEE ATTACHEDDescription of content of communication:
(If communication included written material, attach a copy of the complete text of the written material.)See attached

Signature on File

12/5/07
Date

Signature of Commissioner

If communication occurred seven (7) or more days in advance of the Commission hearing on the item that was the subject of the communication, complete this form and transmit it to the Executive Director within seven (7) days of the communication. If it is reasonable to believe that the completed form will not arrive by U.S. mail at the Commission's main office prior to the commencement of the meeting, other means of delivery should be used, such as facsimile, overnight mail, or personal delivery by the Commissioner to the Executive Director at the meeting prior to the time that the hearing on the matter commences.

If communication occurred within seven (7) days of the hearing, complete this form, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication.

Ex Parte Communication

Ex-Parte Meeting with Commissioner Achadjian

RE: December 2007 Coastal Commission Meeting

Attendees:

Morgan Rafferty, Executive Director, ECOSLO
Gordon Hensley, San Luis Obispo Coastkeeper

Date: December 5, 2007

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COASTAL COMMISSION

ISSUES:

Wednesday, December 12.

W19a- LCP Amendment / City of Oceanside – Downtown "D" District.

The request is to add fractional, timeshare, and condo hotel uses. The amendment will result in the conversion of 1/3 of shore-front visitor serving hotel accommodations to quasi-residential uses.

Issues for consideration:

1. Oceanside has one of the oldest LCP's in the State.
2. The project as proposed is a change of use from hotel to quasi-residential at a shorefront location. The change to a more private land ownership is likely to prevent or diminish current public access.
3. Project DEIR states that the project will be in violation of the current LCP because a loss of beach parking will interfere with public parking and beach use.
4. The proposed project is inconsistent with the principally permitted use (Visitor serving accommodations and commercial uses- Shorefront location).

We urge SUPPORT of Staff recommendation

Thursday December 13

Th6 a&b Cambria Test Wells (Findings)

We urge SUPPORT of Staff recommendation

Th7 a&b Cambria Test Wells (Reconsideration)

We oppose reconsideration until significant new information is provided by CCSD. (Only Commissioners Wan, Shallenberger, Hueso, Reily, Blank, Clark can vote.)

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Th12a. UCSC Coastal Long Range Development Plan.

Issues for consideration:

1. In California we have already lost 97% of our historic coastal wetlands.
2. This expansion would more than triple the size of the existing campus, and would devastate valuable wetlands and raptor foraging habitat.
3. To facilitate the plan, a precedential change to the California definition of wetlands must be approved. (California law is clear: if property contains standing water, wetlands plants or hydric soils, it qualifies as a wetland.)

We OPPOSE Staff recommendation to certify the Long Range Development Plan at this time.

Possible Changes/Conditions of approval: UCSC should be required to protect all wetland and wildlife environmentally sensitive habitat area (ESHA). UCSC should also be required to reduce the amount, height, bulk, mass and scale of future development, to ensure that some of California's most scenic coastal vistas across the Monterey Bay are protected.

Th12b. SLO County LCP Amendment / Cambria and San Simeon Acres Community Plans.

We urge SUPPORT of Staff recommendation to certify

Th13a. Appeal No. A-3-SCO-07-015 (Santa Cruz County Redevelopment Agency and Public Works Department, Santa Cruz Co.)

We urge SUPPORT of Staff recommendation to find substantial issue.

Th14a. Application No. 3-07-019 (Santa Cruz County Redevelopment Agency and Public Works Department, Santa Cruz Co.)

We urge SUPPORT of Staff recommended conditions of approval.

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COASTAL COMMISSION
SAN DIEGO COAST DISTRICTFORM FOR DISCLOSURE
OF EX PARTE
COMMUNICATIONSRECEIVED
DEC 08 2007
CALIFORNIA
COASTAL COMMISSIONDate and time of communication: 12-3-07 3:30 PMLocation of communication: COUNTY GOV CENTER TELEPHONE
(If communication was sent by mail or
facsimile, indicate the means of transmission.)Identity of person(s) initiating communication: ANDI CULBERTSONIdentity of person(s) receiving communication: Commissioner ACHARJINName or description of project: OCEANSIDE MAJOR AMENDMENT 1-07 D-DISTRICTDescription of content of communication:
(If communication included written material, attach a copy of the complete text of the written material.)

DISCUSS DOWNTOWN D-DISTRICT DEDICATED FOR VISITOR
SERVING. PREVIOUS PROJECT DENIED BASED ON SIZE OF THE HOTEL
EXISTING OF LOW COST ACCOMMODATIONS
IN-LINE FEE \$30000/ROOM NOT ACCEPTABLE
PROJECT TO MOVE FORWARD ON ITS OWN MERIT (NO FEE/FEE)
SINCE THE AREA HOTELS OFFERS LARGE # OF ROOMS AT LOW COST
BELOW \$1000

Signature on File

12-3-07
Date

Signature of Commissioner

If communication occurred seven (7) or more days in advance of the Commission hearing on the item that was the subject of the communication, complete this form and transmit it to the Executive Director within seven (7) days of the communication. If it is reasonable to believe that the completed form will not arrive by U.S. mail at the Commission's main office prior to the commencement of the meeting, other means of delivery should be used, such as facsimile, overnight mail, or personal delivery by the Commissioner to the Executive Director at the meeting prior to the time that the hearing on the matter commences.

If communication occurred within seven (7) days of the hearing, complete this form, provide the information orally on the record of the proceeding and provide the Executive Director with a copy of any written material that was part of the communication.

APPENDIX 2

A

FORM FOR DISCLOSURE
OF EX PARTE
COMMUNICATION

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Date and time of communication:
(For messages sent to a Commissioner
by mail or facsimile or received as a
telephone or other message, date
time of receipt should be indicated.)

12/03/07 - 11:00 a.m.

Location of communication:
(For communications sent by mail or
facsimile, or received as a telephone
or other message, indicate the means
of transmission.)

In Office, Eureka, CA

Person(s) initiating communication:

Andy Culbertson

Person(s) receiving communication:

Bonnie Neely

Name or description of project:

Dec. 07, Wednesday, 12/12/07, Agenda
Item 19a - City of Oceanside LCP
Amendment No. 01-07 (Downtown D
District)

Detailed substantive description of content of communication:
(If communication included written material, attach a copy of the complete text of the written
material.) Applicant's representative gave background info regarding the City's request
to amend zoning for D District, redevelopment for resort and visitor serving uses.
Applicants object to the fee. The fee is unjustified because Oceanside is a certified LCP. Ms
Culbertson states that 20% of visitor serving facilities must be low cost accommodations
and the City more than meets that standard.

12/03/07

Signature on File

Date

Signature of Commissioner

If the communication was provided at the same time to staff as it was provided to a Commissioner, the communication is not ex
parte and this form does not need to be filled out.

If communication occurred seven or more days in advance of the Commission hearing on the item that was the subject of the
communication, complete this form and transmit it to the Executive Director within seven days of the communication. If it is
reasonable to believe that the completed form will not arrive by U.S. mail at the Commission's main office prior to the
commencement of the meeting, other means of delivery should be used, such as facsimile, overnight mail, or personal delivery by
the Commissioner to the Executive Director at the meeting prior to the time that the hearing on the matter commences.

If communication occurred within seven days of the hearing, complete this form, provide the information orally on the record of
the proceedings and provide the Executive Director with a copy of any written material that was part of the communication.

15

Thomas A. Nunan Jr.

1820 Hunsaker Street ~ Oceanside, Ca. 9205

W19a

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, Ca. 94105-2219

Dear Mr. Kruer:

We have been citizens of Oceanside for over 18 Years. Our primary goal since moving here is to help Oceanside move from being a good City to become a Great City.

We love this place. Our involvement in the Oceanside Museum of Art, Mission San Luis Rey, Oceanside Charitable Foundation, Women's Resource Center, St. Mary's Church, Rotary Club and many other organizations demonstrates our dedication to this city.

Our City needs the Oceanside Beach Resort.

We disagree with the Staff of the California Coastal Commission. Below are our comments.

1. The City of Oceanside has plenty of "affordable rooms" Over 90% are below the "affordable rate" of \$100.00
2. The S. D. Malkin Project (Oceanside Resort) meets the City's requirement for a quality hotel to be built near the Pier.
3. The City's Block Master Plan requires 240 rooms. There are 336 proposed hotel rooms in the project.
4. A \$30,000 a door fee for 25% of the project would essentially cripple this important development.

We want and need this project because it will improve our quality of life and make Oceanside more attractive as a vacation destination.

To help make this good City a Great City, we need your help to refuse approval of the onerous items mentioned in the staff report of the Coastal Commission.

Please help us enhance Oceanside with the approval of this project and help us realize our vision of a Great City by the se

Sincerely,
Thomas A. Nunan

Signature on File

LETTERS OF COMMENT

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT



OCEANSIDE COMMUNITY COALITION

Coalition Members:

December 5, 2007

Business and Community
Political Action Committee
(BACPAC)

Mr. Pat Krueger, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Wednesday, Item 19

Citizens for the Preservation
of Parks and Beaches
(CPPB)

Dear Mr. Krueger,

Citizens of Oceanside
Actively Shaping Tomorrow
(COAST)

With representatives from board-based and formerly divided community and neighborhood groups, the Oceanside Community Coalition was formed in August, 2005. Representing thousands of Oceanside residents, this collaborative has been meeting monthly since that time. The mission of the Coalition is to: *foster the development of the City of Oceanside's currently proposed downtown beach front hotel/timeshare project by bringing together diverse community groups in order to provide a unified forum to: 1) gather and disseminate timely and accurate project information; 2) identify and promptly communicate community project concerns to City staff and developer representatives; and, 3) provide City staff with an integrated point of contact for member community groups.* The Coalition offers an opportunity for member groups to routinely come together and have open dialogue on the Oceanside Beach Resort project with the goal of building consensus. We are proud of our commitment to this common goal, of our successes and of our tenacity!

MainStreet Oceanside

North Beach Villages

North Townside

The Oceanside Community Coalition urges California Coastal Commission to approve the Local Coastal Plan amendment as submitted by the City of Oceanside. This amendment revises the City's "D District" definitions and facilitates the ongoing forward progress of the Oceanside Beach Resort project.

Oceanside Chamber of
Commerce

Sincerely,

Oceanside Coastal
Neighborhood Associations

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DEC 05 2007

MainSt

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COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

North T

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928 North Coast Highway
Oceanside, CA 92054

Oceanside Coastal Neighborhood Associations

18



**Best Western
Marty's Valley Inn
& Conference Center**

3240 Mission Avenue
Oceanside, California 92054
(760) 757-7700
Fax (760) 439-3311
www.bwmartys.com
Reservations (800) 747-3529

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Kruer,

My name is Andrew Stewart. I am General Manager of the Best Western Marty's Valley Inn, Oceanside, Ca. and I am writing you today on behalf of the new Malkin Oceanside Beach Resort that is being proposed for our city. As you may or may not know, Oceanside is increasingly becoming a tourist destination in Southern California. We have several different types of attractions and accommodations to suit most travelers. However, we do not have any accommodations that suit travelers in the upper-tier market. You may think that I would not like to see more hotels being built near-by because it may infringe on my business, but this type of hotel will not hurt our business because it will cater to a demographic that is currently not being captured in our community. Nearly all hotels/motels in our area are budget to mid-tier. We as hoteliers would like to see more high-end hotels in our area to attract a larger demographic and in turn, drive more business to our community as a whole. I am part of the tourist association in Oceanside that works closely with other hotels and tourists attractions. Our main focus, as a whole, is working together to bring more people to our area and capture more revenue for our businesses as well as more tax dollars for our community. Please take the time to consider our comments and approve this project. We hope you will do so and allow our city to enter the next phase of becoming the premier destination for Southern California.

Signature on File

Andrew Stewart
General Manager
Best Western Marty's Valley Inn

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DEC 04 2007

CALIFORNIA
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SAN DIEGO COAST DISTRICT

THE WORLD'S LARGEST HOTEL CHAIN®

Each Best Western hotel is independently owned and operated.

19

November 29, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Re: Proposed SD Malkin Hotel Project, Oceanside

Dear Mr. Kruer,

I am a third generation Oceansider. My family came to Oceanside about 1900. I have had a varied career that has spanned construction, real estate and restaurants all the while living in this community.

I support the SD Malkin Properties, Inc. Hotel Project adjacent to our Pier. In the late 1800's our first Hotel, the South Pacific was built in this area. It towered four stories tall. It was located next to an opera house. Our population was about 1,100 at that time and no other city in San Diego North even came close to our population. Our community embraced this hotel. Unfortunately it burned down in 1897. A more modest hotel, The El San Luis Rey in 1904, replaced it. Our community embraced this hotel also. You should not be surprised that our community has been hoping to replace the last hotel since the mid sixties when it was torn down.

This proposed project proposes to build not only the hotel we want, but also a quality addition to our California coastline. It does so without harming our environment or displacing any citizens.

You should embrace this project, which has been planned to protect not only our environment, but also our cultural heritage. The developer, SD Malkin worked with the Preservation Community (SOHO) to save the Graves House (Top Gun House) built in 1887 and relocate on the North block of the future project.

While some make the case that this hotel may be out of reach price wise to some, I can only say that I have saved many a time to stay in locations where the accommodations were pricey, but worth the effort.

Please approve the proposed project.

Signature on File

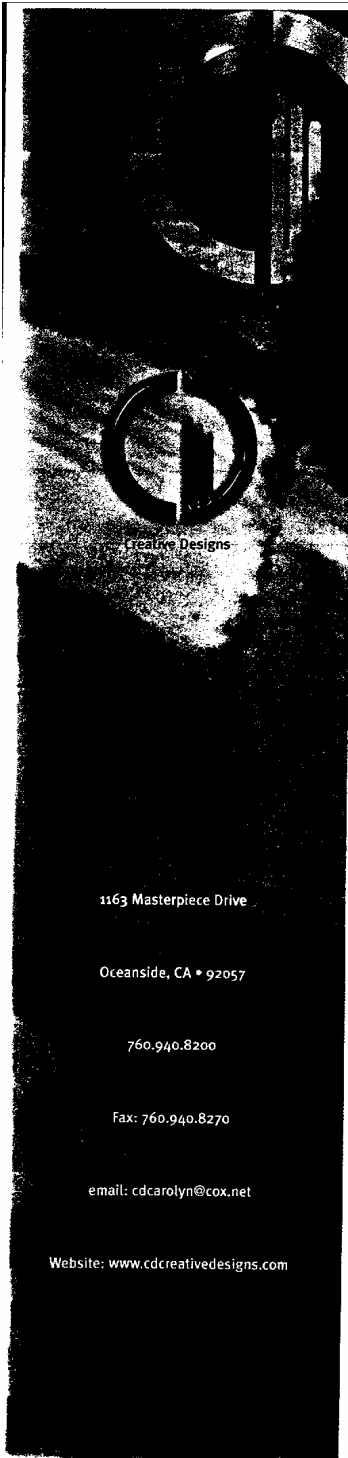
John Darey

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

20



November 29, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

To Mr. Pat Kruer;

I have lived and owned a business in Oceanside for the past ten years. During that time I have seen great changes in the dynamics and reputation of the City. It has been my goal to see Oceanside as a cultural, economically vital area, and to this end I have worked very hard.

Currently, I am on the Board of Trustees for the Museum of Art, helping it grow (we are in the midst of our current expansion that will take a 5,000 square foot museum to eventually a 30,000 square foot museum with the new wing about to open in two months.) I am also Vice-Chair of the city's Arts Commission, where we have great accomplishments including awareness by the city council of the importance of the arts. The Arts Commission produced three free outdoor concerts this past summer, a dance troupe performance in the city Civic Center Plaza and several public art projects. I also serve on the Oceanside Cultural Arts Foundation Board (Days of Art, Music Festival) and support the Sunshine Brooks Theatre and MainStreet Oceanside.

I feel that the SD Malkin hotel project is in alignment with the vision we have for the City. It is a vital part of the upward growth potential that will generate new jobs, new tourism and new patrons of the arts. We have seen the plans for the project and are very impressed with the thoughtfulness of the architecture and inclusion of art, sensitivity to the environment and to the diversity of the area.

Please help us in supporting SD Malkin to move forward with the construction of their hotel.

Signature on File

RECEIVED

DEC 04 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

21

12/6/07

To whom it concerns:

Subject- Oceanside Local Coastal Plan

Economic development; because the success of this project is critical to insuring that Oceanside is one of the best places to bring major projects that are well thought out and well designed. The excellent aesthetic approach taken to the project's design, the Arts-favorable viewpoint of the developer and its project manager (Jeremy Cohen) and because the success of this particular project will be the exemplar for other thoughtful, Arts-favorable projects in the City. You are stopping our enhancements and our hands are tied.

Further, this project has gained the strong support of a wide variety of often competing community and business interests in the City. Such broad support is very difficult to find in almost any city and we believe that everything possible should be done to insure its success and to encourage such community collaboration.

Finally, and we assume most importantly to the Coastal Commission, we believe that this particular project will be the catalyst for upcoming projects that will make the Oceanside Pier, beach and amphitheater a unique and special place that draws the citizens of Oceanside and nearby cities as well as visitors from around the world to the coast all year round. Support for the proposed amendment to the local Coastal Plan, Oceanside We strongly support the proposed amendment to the local Coastal plan that facilitates this project and ask that the Coastal Commission approve these amendments expeditiously so that the City will not lose this outstanding opportunity to move forward.

If the Coastal Commission finds that any changes are necessary, we hope that the modification process can be expedited and otherwise handled in such a way that the process does not lead to the failure of this important project.

Thank you for considering my views.

Signature on File

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DEC 06 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

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Dec. 4th, 2007

To: Pat Krue, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105

Fax to: Deborah Lee, South Coast Deputy Director
California Coastal Commission
7575 Metropolitan Dr.
Ste. 103
San Diego, CA. 92108
Phone: 619-767-2370
Fax: 619-767-2384

My name is Gordon Witz and I live in Oceanside, CA. I understand that the Coastal Commission staff has recommended that an extraordinary fee of \$30,000 per unit should be added to the existing fees in order to complete the contract for the S. D. Malkin proposed Westin Hotel on the bluff in Oceanside. Also they are recommending including some onerous operational and managerial requirements of the developer. I have seen the city of Oceanside try to develop this land into a very desirable resort with banquet and meeting facilities that we have been trying to obtain since 1988! We have gone through several developers over the years and had to settle a lawsuit with one of them as he would not comply with requirements of the coastal commission. Now we have a very competent developer that has met all the criteria that the Coastal Commission requested and the staff wants to up the ante to develop this property. The city of Oceanside definitely wants this project to go through as they approved developing this several years ago in a public referendum. The staff wants the developer to help procure "affordable" rentals when 90% of rentals are now below the affordable rate of \$100 per night. I implore the commission to approve this project as it has been negotiated and not change the playing field so that we lose the great project that has been proposed. Oceanside is still the most affordable beach area along the southern California coast and will continue to be that, but will have amenities so it can compete with all the other cities along the coast!

Thanks for your consideration, *Gordon Witz*

Signature on File

traordinaire w the "Beach Bunch"
-4488

Received

DEC 05 2007

California Coastal Commission
San Diego Coast District

23



December 4, 2007

Mr Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, Ca 94105-2219

**Re: Wednesday, Item 19
Beach Resort Hotel, Oceanside**

Dear Mr. Kruer;

I am a California native, licensed architect, member of the Oceanside planning commission, surfer, and proud resident of Oceanside. I'm writing to ask for your support and approval of the Beach Resort Hotel, a hotel project that has been planned for decades. All the citizens of Oceanside will benefit from the positive economic growth this hotel will bring. Proposed restrictions by the Coastal Commission staff requesting \$30,000 per room be set aside for hostels, RV parks and low cost hotel rooms maybe needed in other coastal cities but Oceanside has over 90 percent of it's existing hotel rooms classed as affordable, it has many existing RV and trailer parks what Oceanside doesn't have is a quality hotel such as the proposed Beach Resort Hotel. If you can please take the time to study Oceanside's existing public services you will see that what is needed is not more affordable amenities but the opposite.

The proposed fee may work in affluent cities such as Del Mar, Laguna Beach or La Jolla, but a fee tacked on to an Oceanside hotel project could potentially leave the city and it's citizens with nothing. We've waited a long time for this opportunity, have gone through several developers, planned, designed, redesigned, held hundreds of town meetings and then redesigned again to come up with what we feel is the best project for all of Oceanside citizens and it's welcomed visitors.

Please review the material before you and especially consider that Oceanside already provides many affordable opportunities for visitors. Oceanside has one of the best beaches in California but what we don't have is the infrastructure to support the visitors who come to the beach. The citizens of Oceanside have waited a very long time for a project like this to come true, please keep our dream alive.

Sincerely;

Louise Balma
745 Sleeping Indian Road
Oceanside, 92057

Received

DEC 05 2007

California Coastal Commission
San Diego Coastal District

24



Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Fax 415 904 5400

At the December 12th Coastal Commission meeting, item #19 on the agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

We urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the onerous restrictions on operation and managerial functions would severely restrict the Oceanside Beach Resort project.

The Coastal staff concerns, that there are not sufficient "affordable Hotel/Motel rooms" in Oceanside, are totally incorrect. In fact 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

This hotel will dramatically improve the downtown Oceanside area and make it much more desirable to tourists. Oceanside has some of the best beaches in San Diego and I think a hotel of this quality is what is needed in that area to make their visit a much more well rounded experience as well as helping to present a better image in Oceanside. The beach communities to the South, Carlsbad and Encinitas, bring a lot more people to the area because they have amenities such as these, but people don't think of Oceanside in the same way and this will change that. The fee you are proposing will eliminate any chance of helping this area get a quality hotel and prevent the existing ones from improving to keep modern, thus keeping the area depressed. I am sure that is not the intention of the Coastal Commission.

The citizens of Oceanside have been waiting for over 30 years for a project like the S.D. Malkin to come to our city. Please help our dream become a reality.

Thank you for your consideration.

Lee & Associates
Commercial Real Estate

Signature on File

Received

DEC 05 2007

San Diego Coastal Commission

25



Mr. Pat Krue
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Krue,

I am writing to you concerning the upcoming meeting, December 12, 2007, regarding the proposed amendment to the Local Coastal Plan of the City of Oceanside.

As a resident of Oceanside for 13 years, and an active businessman in the community, I would implore you to not attach any fee's or stipulations to the planned development of what will be a centerpiece resort for the entire north coast of San Diego County. The City of Oceanside, long known for it's affordability, does not need penalties attached to what is potentially the very best opportunity this city has ever had to become the true visitor destination that those of us living here already realize it to be.

If the current Malkin project were just another business venture in an already plush 'destination site', potential fee's and requirements would be more understandable. That is NOT the case regarding the City of Oceanside. Our city has for too long been associated with lower economics and, in the past, a hardscrabble night life. This is our cities chance to add a different dimension and attract the level of visitors that will bring economic change to our downtown.

If, as we all hope, in the future more 'resort' level development does occur, then consideration of additional fee's and requirements would be more acceptable. But it would be a terrible blow to our downtown development to lose this wonderful project due to late-date additional obstacles for the developer.

I thank you for your consideration to my request to approve the proposed amendment with no additional fee's.

Best Regards

Signature on File

Map

(760) 730-1450 - Cell
www.FunMapofOceanside.com

Received

DEC 05 2007

California Coastal Commission
San Diego Coast District

26

December 4, 2007

Deborah Lee, South Coast Deputy Director
California Coastal Commission
7575 Metropolitan Dr. Suite 103
San Diego, CA 92108
Fax 619-767-2384

Re: **Wednesday, Item 19**
Beach Resort Hotel, Oceanside
December 2007 meeting in San Francisco

Dear Deborah Lee;

I've enclosed my letter to Mr. Pat Kruer and respectfully request that you include it in the staff report attachments for the Wednesday, Item 19 Beach Resort Hotel project in Oceanside.

I sincerely hope that the Coastal Commission carefully reviews the Coastal Commission's staff requests especially the \$30,000 per hotel room in lieu fee. Oceanside has over 90 percent of it's existing hotel rooms classed as affordable, it has many existing RV and trailer parks what Oceanside doesn't have is a quality hotel such as the proposed Beach Resort Hotel. I hope the commission will study Oceanside's existing public services and find that what is needed is not more affordable amenities but the opposite.

The proposed fee may be justified and work in affluent cities such as Del Mar, Laguna Beach or La Jolla where there are no affordable amenities, but a fee tacked on to an Oceanside hotel project could potentially leave the city and it's citizens with nothing. We've waited a long time for this opportunity, have gone through several developers, planned, designed, redesigned, held hundreds of town meetings and then redesigned again to come up with what we feel is the best project for all of Oceanside's citizens and it's welcomed visitors.

Oceanside has one of the best beaches in California but what we don't have is the infrastructure to support the visitors who come to the beach. The citizens of Oceanside have waited a very long time for a project like this to come true, please keep our dream alive.

Sincerely;

Louise Balma
745 Sleeping Indian Road
Oceanside, 92057

Received

DEC 05 2007

California Coastal Commission
San Diego Coast District

27



OCEANSIDE
CHAMBER OF
COMMERCE

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Fax 415 904 5400

At the December 12th Coastal Commission meeting, item #19 on the agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

We urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the onerous restrictions on operation and managerial functions would severely restrict the Oceanside Beach Resort project.

The Coastal staff concerns, that there are not sufficient "affordable Hotel/Motel rooms" in Oceanside, is totally incorrect. In fact 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

The citizens of Oceanside have been waiting for over 30 years for a project like the S.D. Malkin to come to our city. Please help our dream become a reality.

Thank you for your consideration.

Signature on File

President & CEO

Received

DEC 05 2007

California Coastal Commission
San Diego County Office

928 North Coast Highway • Oceanside, California 92054

28

12/4/07

To Mr. Pat Kruer, Chairman
California Coastal Commission
34 Fremont Street
Suite 2000
San Francisco, Ca. 94105-2219

Dear Mr. Kruer;

We are writing this letter in regards to the City of Oceanside's proposed amendment to the Local Coastal Plan to revise the City's D district" definitions and which facilitates the ongoing forward progress of the new S. D. Malkin hotel project.

- The City of Oceanside has an ample supply of "affordable rooms". Over 90 % are below the "affordable rate" of \$100.00 per night.
- The City's LCP requires a quality hotel be built by the pier. S. D. Malkin is such a project.
- The City's Block Master Plan requires 240 rooms. There are 336 proposed hotel rooms in the project.

We support the Oceanside city's staff recommendation for **approval of the proposed amendment to the LCP and NO \$30,000 FEE.**

Thank you,

Signature on File

Oceanside, Ca. 92054
Phone: 760-757-9857
Fax: 760-757-9897

Received
DEC 05 2007
California Coastal Commission
San Diego Coast District

29



Mission

501 Mission Avenue
Oceanside, California 92054
Office (760) 966-7436
Fax (760) 966-3647
Toll Free (800) 221-2272
Website c21mission.com

December 4, 2007

Mr. Pat Kruer
California Coastal Commission
45 Fremont St., Suite 2000
San Francisco, CA 94105-2219

RE: Proposed Oceanside Beach Resort
SD Malkin Project

Dear Mr. Kruer

It has come to my attention that Costal staff is recommending a \$30,000 per door "fee" for the above referenced proposed property.

The proposed fee would result in an additional \$2.88 million cost and jeopardize this project as well as any future hotel projects in the coastal zone.

The Coastal Commission staff believes that since the amendment defines fractional time shares and condo/hotel rooms this will limit the affordable hotel/motel rooms within the costal zone. The truth is the city of Oceanside has an ample supply of "affordable rooms". Over 90% are below the benchmark rate of \$100.00 per night.

I urge you to reject the Coastal Commission staff recommendation and approve this project as submitted.

Signature on File

c.c. Deborah Lee, South Coast
Deputy Director
Fax: 619-767-2384

David L. Nydegger, A.C.E.
Oceanside Chanter of Commence
Fax: 760-722-8336

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT



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Oceanside

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December 3, 2007

Deborah Lee, South Coast Deputy Director
California Coastal Commission
7575 Metropolitan Dr.
Ste. 103
San Diego, CA 92108
Phone 619- 767-2370
Fax 619-767-2384

Dear Ms Lee,

As an Oceanside home owner for the last 22 years as well as a prominent business owner in Oceanside for over 13 years, I fully support the support for the Oceanside city's staff recommendation for **approval of the proposed amendment** to the LCP and **"NO \$30,000 FEE"**. As the Coastal Commission is aware, the city of Oceanside currently has more affordable beach hotel rooms than most other Southern California beach cities.

We are looking forward to the downtown area redevelopment and anticipate great benefits to the community as a whole when this addition to downtown gets completed.

We request that this fax be included in the staff report attachments.

Signature on File

Owner _____

CW/dg

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DEC 05 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

31

CARPET • VINYL • TILE • NATURAL STONE • WOOD • LAMINATE • WINDOW COVERINGS

FROM :

FAX NO. : 7323518

Dec. 05 2007 03:09PM P1

Jack W. Anderson

4871 Baroque Terrace, Oceanside, CA 92057
Ph 760-732-0757 Email jwa-4871@cox.net

Mr Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Re: Malkin Oceanside Beach Resort

Dear Mr Kruer,

I have been a resident of the City of Oceanside for some 19 years. Before moving here from Minnesota, my wife and I visited the coastal area of California from San Diego to San Francisco looking for a place to retire. We liked Oceanside, except we found a lack of higher end hotels and motels. In that regard, nothing has changed in the interim.

Other coastal cities have plenty of higher end lodging close to the coast to balance the lower end facilities outside the coastal zone, but not Oceanside. I urge you to consider this imbalance in your deliberations on this issue

We are trying to enhance the tourist related image of our City, and the proposed Malkin development is a hinge point of our redevelopment plans. As a member of the City's Parks and Recreation Advisory Commission, my role in the process is largely related to the municipal golf course, but I'm sure you can appreciate every element is critical to the overall effort.

R

Signature on File

J

cc:Deborah Lee, South Coast Deputy Director, California Coastal Commission

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DEC 05 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

32

FAX

December 5, 2007

To: Deborah Lee, South Coast Deputy Director
California Coastal Commission
7575 Metropolitan Dr., Suite 103
San Diego, California 92108

From: Mr. and Mrs. Randall L. Mitchell
161 Parnassus Circle
Oceanside, California 92054-4566
Phone: 760-757-4323
Fax: 760-439-5073

RECEIVED
DEC 05 2007
CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Subject: City of Oceanside's proposed amendment to the Local Coastal Plan

Special

Request: Please include this letter in the Staff Report Attachment

As residents of Oceanside for 46 years, we strongly urge your approval of the proposed amendment to the Local Coastal Plan to revise the City's "D district" definitions, facilitating the progress of the new S.D. Malkin hotel project.

In the name of good business sense and as a service to this community and those who visit here please do not tie the hands of this developer (and subsequent developers) wishing to bring a long-awaited upscale hotel to our community by imposing a \$30,000 fee on one-fourth of the time share rooms planned. How fair is that?

Oceanside has more than its share of "affordable rooms"; over 90% are below the "affordable" rate of \$100.00 per night! Why deny our city and its citizens the many advantages of a first class hotel that will bring needed funds to Oceanside and a tremendous boost to our image as a progressive, attractive tourist destination?

Please give us this opportunity to move successfully into the next decade. We and all of our residents deserve a chance.

Sincerely,

Carolyn L. Mitchell
Carolyn L. Mitchell

Signature on File

L. Mitchell
L. Mitchell

33

BAJASAIL.NET

2512 Luciernaga St. Carlsbad, CA 92009
Tel: 760-804-5788, Fax: 760-603-0569, e-mail info@bajaSail.net www.bajasail.net
OCEANSIDE CITY BEACH SAILING

11/29/2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219
Fax 415- 904-5400

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DEC 04 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

We understand that the Coastal Commission will be meeting in San Francisco regarding the Oceanside Beach Resort property that is being developed by S.D. Malkin Properties, Inc.

It is crucial to Oceanside's economy to offer diverse hotel products at different price points that include a high-end, full-service property such as the Malkin project. Oceanside does not currently have this type of property in its inventory. Something that is unheard of in Southern California coastal communities. We deserve to have this type of property in our community, generating jobs and tremendous tax dollars to the benefit of local economy. Not to mention the tremendous marketing power that will benefit all the hotel properties and tourism related businesses. This will provide Oceanside with the opportunity to capture new visitor markets and still maintain other valuable markets to the area. We will have something to offer everyone.

We support this development

Signature on File

y Director

California Coastal Commission
7575 Metropolitan Dr.
Ste. 103
San Diego, CA 92108
Fax 619-767-2384

Please include in the staff report attachments

34

RICHARD PARKER
4377 Albatross Way
Oceanside, CA 92057
760/722-4142

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DEC 10 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

December 2, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, Ca 94105-2219

Re: Item 19 San Diego Coast District City of Oceanside
LCP Amendment – Condo Hotels – Uses update
Downtown “D” District, Oceanside Redevelopment
District –

FAVOR LCP Amendment – Condo Hotels
OPPOSE Coastal Commission Staff suggested fee imposition

Mr. Chairman and Members

The item before you to allow condo/hotels (fractional time shares) is a new product for tourists. The amendment will allow the proposed resort hotel to offer visitors the opportunity to stay longer and make a commitment to return. There will be increased opportunities for tourists to shop and enjoy our exceptional city. Since only a few units will be designated (25%) for this use, the overnight business trade will not be impacted.

The Oceanside Redevelopment Plan (established nearly 30 years ago) required the development of a resort hotel. We have had challenges getting to the development stage but we have a developer in S.D. Malkin and a professional staff that have obeyed all of the rules. It is time for the hotel to become a reality. Please approve the LCP Amendment.

The Coastal Staff is suggesting that the Coastal Commission impose onerous fees on this project. This request by Staff is disconcerting coming as it has at this late state in the development. Their request will add millions to the cost and there seems to be no justification. This issue of fees should be studied at a later time. Please do not hold up this project or impose these fees on Oceanside's destination resort hotel.

Since

Signature on File

Richard Parker
Oceanside Planning Commission
Development Design Review Committee

35

December 4, 2007

999 N Pacific Street
G310
Oceanside, CA 92054

Mr. Pat Krue, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Fax 415 904 5400

Subject: Support of Oceanside S.D. Malkin Project and rejection of \$30,000 per door fee amendment

At the December 12th Coastal Commission meeting, item #19 on the agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

We urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the onerous restrictions on operation and managerial functions would severely restrict the Oceanside Beach Resort project.

The Coastal staff concerns that there are not sufficient "affordable Hotel/Motel rooms" in Oceanside, is totally incorrect. In fact 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

The City of Oceanside would benefit from a high quality hotel such as this project proposes. We lack new and upgraded facilities for business executives and groups. The project would spur continued improvement in surrounding properties and bring additional and much needed state and local taxes to the area in the form of higher revenue from restaurant, travel and meeting expenditures. The City has done an excellent job preparing for such a project. The new rail transit station, parking garages, and road improvements will support this project.

The citizens of Oceanside have been waiting for over 30 years for a project like the S.D. Malkin to come to our city. Please help our dream become a reality.

Thank you for your consideration.

Kevin Gross and Patricia Finger
Residents of Oceanside, CA.

Cc: Deborah Lee
South Coast Deputy Director
California Coastal Commission
7575 Metropolitan Dr.
St 103
San Diego CA 92108
Fax 619-767-2384

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DEC 04 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

36

KAY PARKER
4377 Albatross Way
Oceanside, CA 92057
760/722-4142

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DEC 10 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

December 3, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105 – 2219

Re: Item 19 San Diego Coast District, City of Oceanside
LCP Amendment, Uses update, Downtown "D" District
Oceanside Redevelopment District

FAVOR LCP Amendment – Uses update
OPPOSE Coastal Staff suggested fee increases for District

Mr. Chairman and Members

The Oceanside Redevelopment Plan required a resort hotel as part of the revitalization of the Project area. Many improvements have been accomplished and the final step is the development of the visitor serving amenities. The proposed resort has met all of the conditions, while preserving the integrity of the beach access.

Oceanside has an abundance of lower priced motel rooms. The product that we do not have is an upscale hotel. With your approval of the condo/hotel and updating of the uses, the city can move forward with improvements that will be enjoyed by residents and visitors.

Please approve the LCP Amendment.

The Staff is requesting that the Commission impose stiff fees on the Oceanside Project area, this request is without merit and I hope the Commission will reject it.

Thank you.

Signature on File

37

OCEANSIDE TERRACES

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DEC 06 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

December 5, 2007

Mr. Pat Krue
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Dear Mr. Krue:

As a neighbor of the proposed Oceanside Beach Resort, we support the City of Oceanside's amendment to the Local Coastal Plan (LCP) to revise the City's "D" district definitions. Your approval thereof will allow the much needed development of Oceanside's S.D. Malkin hotel. Oceanside's downtown redevelopment needs this "high quality" hotel which will result in Oceanside's beachfront being safer for the entire community to enjoy.

The Coastal Commission staff's proposal, as now written, includes financial, operational and managerial requirements that are onerous to developers and would impede development of the SD Malkin hotel project. Please note that:

The City of Oceanside already has an ample supply of "affordable rooms". (Over 90% are below the "affordable rate" of \$100 per night.)

Oceanside's Local Coastal Plan requires that a quality hotel be built near the pier.

Oceanside's Downtown 9 Block Master Plan requires 240 hotel rooms. There are 336 proposed hotel rooms in the SD Malkin project.

Please approve the proposed amendment to the LCP and waive the \$30,000 fee and allow the City of Oceanside and its residents to proceed with the redevelopment efforts.

Best regards,


(J)
M

Signature on File

301 Mission Avenue, Oceanside, California 92054

38

OCCUPATIONAL SAFETY INC.

4962 Gabrieliene Ave.
Oceanside CA 92057

Your Safety Resource Company

Simple Solutions to Complex Problems

Phone and fax 760-945-1057
Cell 760-672-8842 or 760-672-8852
Email OccupationalSafety@cox.net

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DEC 10 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Mr. Pat Krueger
Chairman California Coastal Commission
45 Freeman St. Suite 2000
San Francisco, CA. 94105-2219
Fax: 415-904-5400

Dec.3, 2007

Dear Mr. Pat Krueger,

I am a business owner and resident of the City of Oceanside. We have for several years now been working diligently towards a hotel in the City of Oceanside's 9 Block Master Plan. The S.D. Malkin project is what has been achieved from these years and years of hard work, numerous studies and proposals. I would like to point out to you that the City of Oceanside's 9 Block Master Plan requires that there be 240 hotel rooms, but through our proposed plan we will have 336 rooms in this 9 Block Master Plan. Let it be on record that I support the City of Oceanside's staff recommendation for approval of the proposed amendment to the LCP. I also do not support the proposed \$30,000 a door fee which is proposed by Coastal Commission Staff. If the fee increase is approved, it would halt any and all improvements for further improvements and developments for our area.

In closing, I urge that you adopt the amendment to the LCP and reject the recommendation for the fee increase of \$30,000 a door for the S.D. Malkin project.

Signature on File

37

.....

Shaun Naughton
4329 Silver Spring Way
Oceanside CA 92057
shaunn@sbcglobal.net



DEC 07 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COUNTY DISTRICT

December 7, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219
Phone 415- 904-5200
Fax 415- 904-5400

To the Coastal Commission:

I am writing to tell you my support for the Oceanside proposed amendment to the local coastal plan and the SD Malkin beachfront project.

I am a homeowner, business owner and live and work in Oceanside.

I support the redevelopment efforts to bring beachfront hotel development to Oceanside to continue the smart growth of downtown Oceanside.

I am worried that your proposed fee will derail this project and leave the city without its keystone project for re-development.

I recently had to secure a hotel in the area while work was done in our home and when I checked there were many budget hotels in Oceanside (less than \$100/night). Motel 6, Motel 8, La Quinta, Comfort Suites, Best Western, Ramada, Holiday inn Express., Days Inn, Travelodge among others.

We have been waiting a long time for this well planned development to move forward and feel that you should partner with the city to support this project, and please do not set up unnecessary roadblocks.

Sincerely,

Signature on File

.....

10

December 6, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street - Suite 2000
San Francisco, CA 94105-2219

**SUBJECTS: 1. CITY OF OCEANSIDE PROPOSED AMENDMENT TO THE
LOCAL COASTAL PLAN (LCP)
2. STAFF RECOMMENDED FEE STRUCTURE**

Dear Mr. Kruer:

As a resident of Oceanside since 1973 and the beach area since 1989, I have first-hand observation of the transformation of the downtown/beach area over the past 35 years. The strides that the city has made to improve and enhance the area must continue. The proposed amendment offers an additional opportunity to meet the needs of the community as part of the revitalization of the area. I urge the Coastal Commission to support the Local Coastal Plan as proposed by the City of Oceanside.

I do not understand the reason or the necessity for the staff recommendation of additional fees (taxes??) on businesses that are trying to improve their project. This fee seems unilateral and unfair as it isn't required in other cities. In addition, Oceanside—of all places—currently has low-cost, affordable rooms that are not available in surrounding beach cities. I urge the Coastal Commission to deny the proposed fee and management restrictions.

I urge you to please keep the progress of enhancing Oceanside's downtown and beach areas moving forward.

Sincerely,

Signature on File

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DEC 06 2007
CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

41

December 6, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Via Fax: 415 904 5400

At the December 12, 2007 Coastal Commission meeting, item #19 on the agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

This letter is to urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the additional restrictions on various operational and managerial functions would severely and unjustly restrict the Oceanside Beach Resort project.

I frequently vacation in Oceanside with my family and I believe the concerns of the Coastal Commission staff regarding the insufficient number of "affordable Hotel/Motel rooms" in Oceanside is totally incorrect. In fact, my experience has been that 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

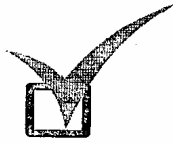
A resort at the beach in Oceanside will be a wonderful addition to the Oceanside area. My family and I would certainly appreciate the welcome option for a self-contained vacation resort and it would greatly benefit the local economy as well.

There has been talk of such a resort in Oceanside over the years and many of us have been waiting for a project like the S.D.Malkin to come into the area. Please help this project become a reality.

Thank you for your consideration.

Signature on File

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BACPAC

Business And Community Political Action Committee
Building a stronger Oceanside together.

December 07, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

RE: Wednesday December 12, 2007 meeting Item 9

Dear Mr. Kruer,

Almost 10 years ago the Business and Community Political Action Committee (BACPAC) was formed based on the inspiration, of the nearly 1,000 members strong, Oceanside Chamber of Commerce, with the goal to make Oceanside a more desirable place to live and a more profitable place in which to do business.

The BACPAC urges California Coastal Commission to approve the Local Coastal Plan amendment as submitted by the City of Oceanside to revise the City's D District definitions and facilitates to make the Oceanside Beach Resort project financially feasible. We are absolutely opposed to the imposition of any sort of additional fee per door fee.

Sincerely,

Signature on File

Copy: Via Fax 619-767-2384

For inclusion in the staff report attachments please.

Attn: Deborah Lee, South Coast Deputy Director California Coastal Commission
7575 Metropolitan Dr. Ste. 103 San Diego, CA 92108

Received

DEC 10 2007

California Coastal Commission
San Diego Regional Office

Post Office Box 2052 * Oceanside, California * 92054
Marva Rhubottom, Treasurer * FPPC # 1260474

AB

December 6, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Subject: Oceanside Beach Resort – SD Malkin Hotel Project

Dear Pat Kruer:

As a resident of Oceanside for 61 years and a businessman for 43 years in Oceanside in the Hotel and Restaurant Business I urge you to recommend passing the SD Malkin Project in Oceanside.

As the owner and manager of a Best Western Hotel here for 43 years in Oceanside I am all too aware of what this project can do for the city of Oceanside, its residents and visitors. For too many years Oceanside has had nothing but a majority of older out dated "cheap" motels in this city. Far too many years the police department, vice and other governmental agencies spent time cleaning up these cheaper facilities due to the "price point". They drew drug dealers, prostitutes, and un wanted felons to the city.

We now have the chance to move forward with a project that will be the pride of the State of California and those who visit it.

Please do not levy a "fine" of \$30,000 a door for 25% of the rooms to be built. This is unfair and un warranted.

The city of Oceanside has an ample supply of "affordable rooms" now in the city. Over 90% are below the "affordable rate" of \$100 per night.

The City's LCP requires a quality Hotel be built at the pier. The SD Malkin is such a project. The City's 9 Block Master Plan requires 240 rooms. There are 336 proposed hotel rooms in the project.

I urge you to please VOTE YES for the Oceanside Beach Resort with no \$30,000 Fees.

Respectfully

Signature on File

Received
DEC 10 2007

California Coastal Commission
San Diego County Office

44

December 7, 2007

John C. Whitman
500 N. The Strand, #57
Oceanside, CA 92054

Mr. Pat Krueger, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Dear Pat Krueger:

At the December 12th Coastal Commission meeting, item #19 on the agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

I urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the onerous restrictions on operation and managerial functions would severely restrict the Oceanside Beach Resort project.

The Coastal staff concerns that there are not sufficient "affordable Hotel/Motel rooms" in Oceanside, is totally incorrect. In fact, 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

Oceanside is in the middle of economic revitalization, which means good jobs for all economic strata in North San Diego County. The beach will continue to be available to all Californians. This project will assist the City of Oceanside in being able to provide services and support to all people who come to our beaches.

Sincerely,

Signature on File

DEC 10 2007

California Coastal Commission
San Francisco, CA

45

December 6, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Via Fax: 415 904 5400

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

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CALIFORNIA
COASTAL COMMISSION

It's my understanding that item #19 on the December 12, 2007 Coastal Commission meeting agenda is a request for approval of an Amendment to the City of Oceanside's Local Coastal Plan.

I urge you and your fellow commissioners to approve the amendment as submitted without the modifications proposed by the Coastal Commission staff. The addition of a \$30,000 fee per door plus the additional restrictions on various operational and managerial functions would severely and unjustly restrict the Oceanside Beach Resort project.

As a Southern California resident who frequently visits and vacations in Oceanside with my family, I strongly disagree with the concerns of the Coastal Commission staff regarding the insufficient number of "affordable Hotel/Motel rooms" in Oceanside. This is totally incorrect. In fact 90% of all Hotel/Motel rooms in Oceanside meet the "affordable" Coastal policy of an average daily rate of \$100 per night.

The addition of a beachside resort would certainly be a great addition to the wonderful Oceanside area. Such a resort will attract vacationers looking for an all-in-one vacation spot within an easy commute from many areas of the state. It will provide a much needed and welcome option for many and will certainly benefit the local economy as well.

I have several friends who are citizens of Oceanside. They have been waiting for many years for a project like the S.D. Malkin to come to the area. Please help this project become a reality.

Thank you for your consideration.

Signature on File

(949) 510-9574

46

3760-41 Vista Campana South
Oceanside CA 92057
December 6, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco CA 94105-2219

Dear Mr. Kruer:

I am a senior resident of Oceanside. I am delighted with all the venues of the ocean and the great outdoor life I can live and my friends and relatives can enjoy when they come to visit. They stay in the overnight facilities available in Oceanside according to their means.

I recently learned the Coastal Commission is evaluating placing a fee or "tax" on hotels and motels which choose to improve their properties. This would lead to blight in my opinion. What company would choose to spend for improvements when those improvements would cost so much that it would be difficult to get a return on their investment.

I strongly urge you to approve the City of Oceanside's recommendation for approval of the proposed amendment to the LCP and **NO additional fees be required**. In addition I urge the Coastal Commission not to impose difficult and costly operational and managerial requirements on hotel developers and such other entities that may come under this rule.

I want to feel that the Coastal Commission will see fit to rule in such a manner that I can feel assured that my relatives and friends can find in Oceanside the hotel and motel accommodations that they like. **I do not want to feel I live in a second class city.**

Signature on File

Received

DEC 06 2007

California Coastal Commission
San Diego Coastal Office

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From: Henry Jordan
P.O. Box 365 - San Luis Rey CA 92068
December 6, 2007

To: Mr. Pat Kruer
Chairman of the California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco CA 94105-2219

Dear Mr. Kruer:

As a resident of Oceanside (my P.O. box is in 92068 for convenience; I live in 92057), I was dismayed to find out that you are letting me down in your position as chairman of an important commission.

It is good that you are chairing a group whose avowed purpose is to make the ocean and beaches available for all to enjoy. Is it true that you are favoring imposing a fee or tax or whatever you call it on new hotel rooms near the Oceanside beach, on the premise that it would benefit the people? Confusing logic in my opinion and in the opinion of my neighbors and friends.

I had hoped up to now that you had the best interests of all of us at heart, but now I cannot help but wonder.

Nature, the miles of beaches in Oceanside, and the wonderful outdoors are mighty important to me and to everyone I know. What I can't understand is why you are trying to bulldoze a "ruling" that will positively impede the construction of new facilities for the thousands of people who share yours and my love of the ocean and the beaches.

I urge you to approve the City of Oceanside's recommendation for approval of its proposed amendment to the LCP. You can best serve us voting citizens by assuring that no additional fees be imposed on the builders that would prevent them from going ahead and providing us with much needed hotel accommodations.

Received

DEC 06 2007

California Coastal Commission
San Diego County Office

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**CALIFORNIA
COASTAL COMMISSION**

December 5, 2007

Mr. Pat Kruer
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105

Dear Sir,

Re: Staff Recommendation on City of Oceanside Major Amendment 1-07

I am a hotel owner and operate a Days Inns, in Oceanside, with a vision to redevelop my site in the near future.

The coastal commission staff is recommending that any new proposed hotel in the coastal zone be levied a fee of \$30,000 per room of, 25% of proposed rooms, is not acceptable to hotel owners in Oceanside and along the California coast. This will cause undue hardship to owners and developers of coastal hotels and motels. This would be counter productive for the hospitality industry in the long term, and will also depreciate the values of these properties. This also is a form of taxation to the industry that already is levied with transient occupancy taxes. If the coastal commission recommends these surcharges then how would you expect the lodging operator to maintain affordable room rates?

I therefore recommend that you vote against the proposed Staff Recommendation on City of Oceanside Major Amendment 1-07.

Thanks

Signature on File

Cc California Hotel Lodging Association
Oceanside Chamber of Commerce
Asian American Hotel Owners Association

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THE COASTAL COMMISSION STAFF SUCKS.

STOP WASTING TAXPAYERS MONEY, IF YOU HAVE
NOTHING BETTER TO DO GO SIT AT THE BEACH AND
ENJOY IT, IT IS FREE NOT \$30,000 PER ROOM

BUT STOP PRODUCING GARBAGE.

TYPICAL GOVERNMENT AGENCY,
GOOD AT WASTING MONEY ALL DAY THEN COME UP
WITH THE DUM IDEAS LIKE TRY AND RISE MONEY BY
CHARGING \$30,000 PER ROOM FROM DEVELOPERS.

WILL COASTAL COMMISSION STAFF SETTLE FOR 30%
SALARY CUT TO PAY FOR HOSTELS AND
CAMPGROUNDS!

Received

DEC 07 2007

California Coastal Commission
San Diego Coast District

50

Bozo wrote on Dec 6, 2007 11:29 AM:

" Isn't this the same Coastal Commission staff that said the desal plant shouldn't be built? Now they want a tax to make it possible for those that can't afford it to camp close to the beach. What ever happened to the days of working hard, getting an education so you can afford things like this. Talk about a Nanny state. These staff members need to get a clue. "

to randy & others like you wrote on Dec 6, 2007 11:45 AM:

" Oceanside has nothing BUT affordable motel rooms all over the city and especially near the beach. the coastal commission is out of line and out of touch. the "working class families" from oceanside are not the folks coming here to stay in motel rooms. those that come here plan their vacations and come here to spend money and enjoy themselves. this hotel is vital to our downtown and to the rest of the business community. "

Add Your Comments or Letter to the Editor

First name only. Comments including last names, contact addresses, email addresses or phone numbers will be deleted. All comments are screened before they appear online, so please keep them brief.

Comments reflect the views of those commenting and not necessarily those of the North County Times or its staff writers. Click here to view additional comment policies.

Name:

Received
DEC 07 2007
California Co.
San Marcos

51



{Print} {Close}

From: "AAHOA" <aahoa@odysseysservices.net>
To: shantu@att.net
Subject: AAHOA Member Alert: Voice Your Opposition to Stiff Fees for Coastal Properties
Date: Fri, 7 Dec 2007 02:21:36 +0000



December 6, 2007

**PLEASE PLAN TO ATTEND THE CALIFORNIA COASTAL COMMISSION
HEARING ON DECEMBER 12, 2007**

**and
SEND US YOUR NAME TO BE ADDED TO
A LETTER TO THE COMMISSION
TO OPPOSE STIFF FEES FOR COASTAL PROPERTIES**

Dear AAHOA Member:

AAHOA has become aware that the California Coastal Commission will vote on an amendment proposed by the City of Oceanside to the Local Coastal Program. The Commission staff has recommended onerous modifications to the amendment, including the imposition of fees in an amount of \$30,000 per room, for 25% of the total number of rooms, in a new hotel development.

AAHOA is concerned that this will impact hotel owners in the City of Oceanside, as well as our members in other coastal communities. It is imperative that you make your voice heard to defeat the proposed changes to this amendment.

We encourage you to attend the Commission hearing scheduled for 9 a.m. on December 12, 2007. The hearing will be held at the following location:

**San Francisco City Hall
Legislative Chamber Rm. 250
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102**

Received

DEC 07 2007

California Coastal Commission
San Diego County Office

We also encourage you to add your name and that of your business to the bottom of the attached letter. Please email your name, your business name, and the city in which you are located to Managing Attorney Audrey Dulmage, at Audrey@aahoa.com IMMEDIATELY.

We appreciate your help in sending a strong message to members of the California Coastal Commission that implementation of the proposed changes to the City's amendment are unacceptable to AAHOA's members and the hotel industry as a whole.

52



Asian American Hotel Owners Association

7000 PEACHTREE DUNWOODY ROAD
BUILDING NO. 7
ATLANTA, GEORGIA 30324
(404) 816-5759 PHONE
(404) 816-6260 FAX

December 6, 2007

WWW.AAHOA.COM

Re: AAHOA's Support For the City Of Oceanside's Major Amendment 1-07 (Downtown "D" District), and Opposition To the In-Lien Fees Of \$30,000 and Other Onerous Modifications Suggested by Coastal Commission Staff

Chairman Pat Krueger
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Received
DEC 07 2007

Dear Chairman, Krueger, Commissioners, and Interested Persons:

On behalf of the Asian American Hotel Owners Association ("AAHOA"), we are writing to express our strong **support** for the City of Oceanside Major Amendment 1-07 (Downtown "D" District) to the Local Coastal Plan ("LCP"), and our **opposition** to the Coastal Commission staff's recommendation that in-lieu fees in an amount of \$30,000 per room, for 25% of the total number of rooms, in a new hotel development be imposed as a condition of approval of a coastal development permit.

Information Concerning AAHOA and Its Members in California:

As you may be aware, AAHOA has more than 8,700 members who own 22,000 hotels across the United States. This is nearly 40% of all hotel properties in this country, and the market value of the hotels is in excess of \$50 billion.

In California, AAHOA has more than 2800 members, who own a variety of franchised hotels, including GuestHouse Inn & Suites, Hampton Inn, Hilton Garden Inn, Holiday Inn, La Quinta, Marriott, Fairfield Inn, Best Western, Country Inn & Suites, Comfort Inn & Suites, EconoLodge, Super 8, Howard Johnson, Ramada, Travelodge, and Knights Inn.

AAHOA Supports City of Oceanside's Proposed Amendment To The Local Coastal Plan; AAHOA Opposes The Coastal Commission Staff's Recommendations Concerning The Imposition Of In-Lieu Fees, And Other Onerous Operational And Managerial Requirements On Hotel Developers:

AAHOA is a preeminent advocacy group for the hotel industry at the federal, state, and local levels. AAHOA is deeply concerned about this issue because the California Coastal Commission staff's suggested modifications to the City of Oceanside's LCP Amendment 1-07 would substantially hinder the ability of hotel and motel owners to build new properties, or expand existing properties, along Oceanside's coastline.

For example, the Coastal Commission staff's Suggested Modification #6, #7, and #8 would,

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among other things, impose an in-lieu fee of \$30,000 per room for 25% of the total number of proposed overnight visitors accommodations built within the coastal zone. The extraordinarily high cost of the proposed in-lieu fee would necessarily prohibit the building of any hotel or motel that is not of luxury design and brand. Indeed, this will cause undue hardship on owners and developers of coastal hotels, and will likely depreciate the value

Adopting the Commission staff's for the City of Oceanside suggested modifications would eliminate competition among hotel brands in the coastal area of Oceanside. It would impact the ability of hotel owners to offer affordable room rates for tourists and guests visiting the City of Oceanside. A "Yes" vote on the Commission staff's modifications would also likely prohibit the building or expansion of mid- to low-end hotels and motels along all of California's developing coastline, as the Commission will be setting a precedent for it to adopt similar provisions for other coastal cities.

On behalf of thousands of small businesses owners in California, we urge you to adopt the City of Oceanside's LCP Amendment 1-07, and reject the Coastal Commission staff's proposed modifications relating thereto.

Sincerely,

[Add List of California AAHOA Members Here]

Signature on File

54



1103 N. Coast Hwy.
Oceanside, CA 92054
Telephone 760.722.1904
Fax 760.722.5837

DEC 10 2007

SAN DIEGO COAST DISTRICT

December 5, 2007

Deputy Director Deborah Lee
7575 Metropolitan Drive, Suite 103
San Diego, CA 92108
Dear Madam,

Re: Staff Recommendation on City of Oceanside Major Amendment 1-07

I am a hotel owner and operate a small 80 room hotel in Oceanside, with a vision to redevelop my site in the near future.

The coastal commission staff is recommending that any new proposed hotel in the coastal zone be levied a fee of \$30,000 per room of, 25% of proposed rooms, is not acceptable to hotel owners in Oceanside and along the California coast. This will cause undue hardship to owners and developers of coastal hotels and motels. This would be counter productive for the hospitality industry in the long term, and will also depreciate the values of these properties. This also is a form of taxation to the industry that already is levied with transient occupancy taxes. If the coastal commission recommends these surcharges then how would you expect the lodging operator to maintain affordable room rates?

I therefore recommend that you vote against the proposed Staff Recommendation on City of Oceanside Major Amendment 1-07.

Thanks

Sincerely,

Signature on File

Association
Oceanside Chamber of Commerce
Asian American Hotel Owners Association

55

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4421
(619) 767-2370



November 27, 2007

W19a

TO: COMMISSIONERS AND INTERESTED PERSONS

FROM: SHERILYN SARB, SOUTH COAST DEPUTY DIRECTOR
DEBORAH LEE, DISTRICT MANAGER, SAN DIEGO AREA OFFICE
TONI ROSS, COASTAL PROGRAM ANALYST, SAN DIEGO AREA OFFICE

SUBJECT: STAFF RECOMMENDATION ON CITY OF OCEANSIDE MAJOR
AMENDMENT 1-07 (Downtown "D" District) for Commission Meeting of
December 12-14, 2007

SYNOPSIS

The subject LCP implementation plan amendment was submitted and filed as complete on June 25, 2007. A one-year time extension was granted on August 9, 2007. As such, the last date for Commission action on this item is August 24, 2008. This report addresses the entire submittal.

SUMMARY OF AMENDMENT REQUEST

The proposed LCP Amendment #1-07 (Downtown "D" District) would amend Articles 4, 12, and 41 of the certified Implementation Plan. There are no changes to the City's certified Land Use Plan. These modifications would allow for both Condominium Hotels and Fractional Ownership developments (termed Limited Use Overnight Accommodations) within Subdistricts 1 and 12 of the Redevelopment Area. Article 4a would identify those uses within the Downtown District that could be classified as "Visitor-serving", eliminate certain uses in the redevelopment area that are no longer viable or requested, and define and permit new uses that the City wants to encourage. The proposed amendment would also update the permitted uses matrix, to become more "user-friendly." Article 41 would be amended to allow for the Economic Development and Redevelopment Director to approve administrative permits where currently only the Planning Director has the authority to do so. A portion of this amendment is a project specific revision to allow for the development of a 384 room hotel, with some portion being utilized as "fractional hotels". However, the proposed hotel is still undergoing CEQA review, and as such the specifics of the project have not been finalized. Some restrictions have been suggested by the City to regulate the use of the proposed Limited Use Overnight Accommodations. The development as proposed does not include any low cost visitor-serving overnight accommodations.

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the Economic Development and Redevelopment Director that an amendment is not legally required.

z) In-lieu Fee Required

1. New development of overnight accommodations that are not "lower cost" shall be required to pay, as a condition of approval of a coastal development permit, an in-lieu fee to provide significant funding to assist in the creation of a substantial contribution to lower cost overnight visitor accommodations within City limits. The specific dollar amount of the fee shall be \$30,000 in 2007 dollars which shall be adjusted annually to account for inflation (i.e. according to increases in the Consumer Price Index – U.S. City Average) per room for 25% of the total quantity of proposed units.
2. Prior to issuance of the coastal development permit, and upon execution of an appropriate agreement between the City and the designated recipient that assures use of the in-lieu fee for the intended mitigation, the applicant shall transfer the fee to the entity designated in the agreement, which shall be the City of Oceanside, the California State Department of Parks and Recreation, Hostel International USA, or similar public agency and/or non-profit provider of lower cost overnight visitor accommodations. If the in-lieu fee, or any portion thereof, is not committed toward a use (i.e. with an effective agreement in place for use toward an identifiable project) within ten year of payment of the fee, the in-lieu fee shall be made available to be applied toward lower-cost overnight visitor accommodations.
3. Limited Use Overnight Visitor Accommodations (including Condominium Hotels) will also be required to pay an in-lieu fee of 1% of the resale cost of the individual unit every time the unit changes ownership.

SUGGESTED MODIFICATION #8

Add Article 4a (Redevelopment) section 450 Visitor Accommodations-Special Requirements, as follows:

6. Fractional Ownership Hotel. Such development is subject to the following conditions/restrictions:

- a) Any overnight visitor accommodations for which a certificate of occupancy has been issued prior to or on the effective date of adoption of this Section shall not be permitted to be converted to a Limited Use Visitor Overnight Accommodation.
- b) A maximum of 15% of the total number of guestrooms/units may be subdivided into condominiums and sold for individual ownership.
- c) The hotel owner/operator shall retain control and ownership of all structures, recreational amenities, meeting space, restaurants, "back of house" and other non-guest unit facilities. When the Fractional Ownership development is located on land owned by the City, the hotel

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CITY OF OCEANSIDE

ARTS COMMISSION

Chair

John McDonald

Vice-chair

*Carolyn Michelson**Eugenia Bizzaro**Elise Gutierrez**Kathleen O'Brien Oberjat**Carmine Perez-Garcia**Karen Williams-Graham**L.J. (Jeff) Wayne*

December 5, 2007

Pat Kruer, Chairman
California Coastal Commission
45 Fremont St. Suite 2000
San Francisco, CA 94105-2219

SUBJECT: Support for the proposed amendments to the local Coastal plan, Oceanside

Dear Chairman Kruer,

Background

The Oceanside Arts Commission believes that the SD Malkin project is critical to the City's overall economic development and to its major Arts' initiatives:

Economic development because the success of this project is critical to insuring that Oceanside is one of the best places to bring major projects that are well thought out and well designed (and also support the Arts)

Arts because of the excellent aesthetic approach taken to the project's design, the Arts-favorable viewpoint of the developer and its project manager (Jeremy Cohen) and because the success of this particular project will be the exemplar for other thoughtful, Arts-favorable projects in the City.

Further, this project has gained the strong support of a wide variety of often competing community and business interests in the City. Such broad support is very difficult to find in almost any city and we believe that everything possible should be done to insure its success and to encourage such community collaboration.

Finally, and we assume most importantly to the Coastal Commission, we believe that this particular project will be the catalyst for upcoming projects that will make the Oceanside Pier, beach and amphitheater a unique and special place that draws the citizens of Oceanside and nearby cities as well as visitors from around the world to the coast all year round.

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COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Continued on following page

OCEANSIDE PUBLIC LIBRARY
330 N. COAST HIGHWAY ■ OCEANSIDE, CA 92054

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City of Oceanside
Arts Commission

December 5, 2008
Page 2

Support for the proposed amendment to the local Coastal Plan, Oceanside

We strongly support the proposed amendments to the local Coastal plan that facilitate this project and ask that the Coastal Commission approve these amendments expeditiously so that the City will not lose this outstanding opportunity to move forward. If the Coastal Commission finds that any changes are necessary, we hope that the modification process can be expedited and otherwise handled in such a way that the process does not lead to the failure of this important project.

Thank you for considering our views.

Sincerely,

Signature on File

Oceanside Arts Commission

Signature on File

Carolyn Mickelson, vice
Oceanside Arts Commission

CC: Mayor and Councilmembers, City of Oceanside
Oceanside City Manager and Deputy City Manager

NOTE: The above letter was unanimously authorized by the Oceanside Arts Commission at its December 3, 2007 public meeting.

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

59

Deborah Lee

From: RWSURF@aol.com
Sent: Wednesday, December 05, 2007 9:53 PM
To: Deborah Lee
Cc: Sherilyn Sarb
Subject: City of Oceanside LCP Amendment No. 01-07 - Support

Item 19a
Wednesday, December 12
Support

Ms. Deborah Lee
District Manager
San Diego Coast District Office
California Coastal Commission

Re: City of Oceanside LCP Amendment No. 01-07

Dear Ms. Lee:

As residents of Oceanside in the downtown/beach area, we are writing to urge your support for the City of Oceanside's LCP Amendment No. 01-07. This amendment will allow a vital piece of Oceanside's downtown redevelopment to occur. We understand that a key question related to this LCP amendment is the current stock of affordable overnight accommodations in the coastal zone. The report *Analysis of Market Demand in Oceanside, California* by PKF Consulting, April 2007, does an excellent job of demonstrating that Oceanside has an adequate and stable stock of affordable visitor-serving overnight accommodations. Also, their letter dated October 30, 2007 adequately answers concern raised by Citizens for Preservation of Parks and Beaches.

We are very familiar with most of the affordable overnight accommodation facilities because we go past them frequently when walking from our home to the beach (about 15 minutes) or harbor (20 minutes).

Oceanside is known for its low to moderate cost overnight accommodations. What it lacks are high end accommodations such as the proposed S.D. Malkin project.

We urge you to approve the LCP amendment so that the S.D. Malkin project and other downtown redevelopment projects can proceed and Oceanside's revitalization can continue.

Sincerely,

Rick and Marie Wilson
770 Harbor Cliff Way, #144
Oceanside, CA 92054

Check out AOL Money & Finance's list of the hottest products and top money wasters of 2007.

12/6/2007





ASIAN AMERICAN HOTEL OWNERS ASSOCIATION

7000 PEACHTREE DUNWOODY ROAD
BUILDING NO. 7
ATLANTA, GEORGIA 30324
(404) 816-8759 PHONE
(404) 816-6260 FAX
www.AAHOA.com

December 7, 2007

Re: **AAHOA's Support For The City Of Oceanside's Major Amendment 1-07 (Downtown "D" District), And Opposition To The In-Lieu Fees Of \$30,000 And Other Onerous Modifications Suggested By Coastal Commission Staff**

Chairman Pat Krueger
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

Received

DEC 07 2007

California Coastal Commission
San Diego Coastal District

RECEIVED
DEC 07 2007
CALIFORNIA
COASTAL COMMISSION

Dear Chairman Krueger, Commissioners, and Interested Persons:

On behalf of the Asian American Hotel Owners Association ("AAHOA"), we are writing to express our strong support for the City of Oceanside Major Amendment 1-07 (Downtown "D" District) to the Local Coastal Plan ("LCP"), and our opposition to the Coastal Commission staff's recommendation that in-lieu fees in an amount of \$30,000 per room, for 25% of the total number of the rooms, in a new hotel development be imposed as a condition of approval of a coastal development permit.

Information Concerning AAHOA and Its Members In California:

As you may be aware, AAHOA has more than 8,700 members who own 22,000 hotels across the United States. This is nearly 40% of all hotel properties in this country, and the market value of the hotels is in excess of \$50 billion.

In California, AAHOA has more than 2800 members, who own a variety of franchised hotels, including GuestHouse Inn & Suites, Hampton Inn, Hilton Garden Inn, Holiday Inn, La Quinta, Marriott, Fairfield Inn, Best Western, Country Inn & Suites, Comfort Inn & Suites, EconoLodge, Super 8, Howard Johnson, Ramada, Travelodge, and Knights Inn. Our members are also owners of boutique and independent hotels which will undoubtedly be affected by the proposed changes to this amendment.

AAHOA Supports the City of Oceanside's Proposed Amendment To The Local Coastal Plan; AAHOA Opposes The Coastal Commission Staff's Recommendations Concerning The Imposition Of In-Lieu Fees, And Other Onerous Operational And Managerial Requirements On Hotel Developers:

AAHOA is a preeminent advocacy group for the hotel industry at the federal, state, and local levels. AAHOA is deeply concerned about this issue because the California Coastal Commission staff's suggested modifications to the City of Oceanside's LCP Amendment 1-07 would substantially hinder the ability of hotel and motel owners to build new properties, or expand existing properties, along Oceanside's coastline.

For example, the Coastal Commission staff's Suggested Modification #6, #7, and #8 would, among other things, impose an in-lieu fee of \$30,000 per room for 25% of the total number of proposed overnight visitors accommodations built within the coastal zone. The extraordinarily high cost of the proposed in-lieu fee would necessarily prohibit the building of

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any hotel or motel that is not of luxury design and brand. Indeed, this will cause undue hardship on owners and developers of coastal hotels, and will likely depreciate the value of the properties.

Adopting the Commission staff's suggested modifications would eliminate competition among hotel brands in the coastal area of Oceanside. It would impact the ability of hotel owners to offer affordable room rates for tourists and guests visiting the City of Oceanside. A "Yes" vote on the Commission staff's modifications would also likely prohibit the building or expansion of mid- to low-end hotels and motels along all of California's developing coastline, as the Commission will be setting a precedent for it to adopt similar provisions for other coastal cities.

On behalf of thousands of small businesses owners in California, we urge you to adopt the City of Oceanside's LCP Amendment 1-07, and reject the Coastal Commission staff's proposed modifications relating thereto.

Sincerely,

Signature on File

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DEC 07 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, Ca. 94105-2219

Dear Mr. Kruer:

We have been citizens of Oceanside for over 18 Years. Our primary goal since moving here is to help Oceanside move from being a good City to become a Great City.

We love this place. Our involvement in the Oceanside Museum of Art, Mission San Luis Rey, Oceanside Charitable Foundation, Women's Resource Center, St. Mary's Church, Rotary Club and many other organizations demonstrates our dedication to this city.

Our City needs the Oceanside Beach Resort.

We disagree with the Staff of the California Coastal Commission. Below are our comments.

1. The City of Oceanside has plenty of "affordable rooms" Over 90% are below the "affordable rate" of \$100.00
2. The S. D. Malkin Project (Oceanside Resort) meets the City's requirement for a quality hotel to be built near the Pier.
3. The City's Block Master Plan requires 240 rooms. There are 336 proposed hotel rooms in the project.
4. A \$30,000 a door fee for 25% of the project would essentially cripple this important development.

We want and need this project because it will improve our quality of life and make Oceanside more attractive as a vacation destination.

To help make this good City a Great City, we need your help to refuse approval of the onerous items mentioned in the staff report of the Coastal Commission.

FREE ESTIMATES



STATE LIC. 220961

**Pacific Canvas**BOAT COVERS - AWNINGS
CUSTOM CANVAS PRODUCTS311 VIA EL CENTRO
JOE PELLERIN - OwnerOCEANSIDE, CA 92054
BUS (760) 439-1188
FAX (760) 439-1352

FREE ESTIMATES



STATE LIC. 220961

**Pacific Canvas**BOAT COVERS - AWNINGS
CUSTOM CANVAS PRODUCTS311 VIA EL CENTRO
FRANK MANILLA
CUSTOM CANVAS DESIGNEROCEANSIDE, CA 92054
BUS. (760) 439-1188
CELL (760) 808-2040

63

TEL NO.

Dec 07 14:41 P.02
Pat Kruer Calif. Coastal Comm. 12/7/07
Our city deserves Oceanside Beach Resort
The city has 90% of its rooms below \$100.
The S.D. Malibu Project needs reequivalent.
There are 330 proposed rooms in project.
A \$30,000 door fee is crippling.
We need your help to get rid of unproductive
items in the staff report.
Please help us get this worthwhile project
done.

Sincerely,
Mike Sterkin (10 yr.
resident)

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

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CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

Dedicated to preserving, promoting and revitalizing Downtown Oceanside

December 4, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105-2219

FAXED & MAILED

Re: Amendments to Oceanside's Local Coastal Plan

Dear Mr. Kruer:

MainStreet Oceanside is the downtown association in Oceanside, California. It is comprised of business owners, property owners and residents in an 84 square block area which includes the property of the proposed Oceanside Pier Resort. Over the last 7 years this organization and its membership has aggressively supported the effort to develop a high quality hotel on the 2 block parcel south of the pier as well as the revitalization of our aging hotel / motel stock along the downtown section of the coastal plain.

The organization and its membership urge you in the strongest possible terms to reconsider your staff's position regarding their recommendation of the "Fee in Lieu" concept that would be applied to any portion of "fractional" or privately owned units within hospitality structures located anywhere in the coastal zone in our City.

It is our organization's opinion that a component of privately owned units in hotel projects has become a necessary reality in modern hospitality development. We believe that privately owned units provide a valid form of equity financing that serve as an option or substitute to the declining ratios of traditional debt financing available to hotels in today's market. We further believe that privately owned units in no way effect the overall availability of the total number of units in the rental pool available to the public provided certain management controls over private owner usage are in place. It is our opinion that it is of no consequence who owns the units as long as they are available to the public for a substantial period of the year.

This organization worked closely with the City of Oceanside in the proposed zoning / use amendments for the coastal plan area and supports approval of these amendments.

Our most immediate concern is the recommendation of your staff for a "Fee in Lieu" solution for what is described as affordable hotel rooms. It is our belief that one of its significant flaws is that it is a "blanket" recommendation effecting all hospitality development. Staff's analysis fails to consider the particular circumstances of each City's inventory of hospitality rooms and the associated room rates to meet the public's needs for accommodations. Further, it fails to differentiate between new projects that will add to the overall pool of hotel rooms vs. projects that would require demolition of existing lower cost rooms to make way for newer rooms that may have higher room rates.

701 Mission Avenue
Oceanside, California 92054
Ph: 760-754-4512 Fax: 760-754-4547 E-Mail: mainsto@pacbell.net
Web: www.ms oceanside.com

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Oceanside has a unique set of issues facing its hotels. Oceanside needs an abundance of hospitality rooms. The city annually plays host to tens of thousands of visitors to San Diego County and its coast. In excess of 90% of the hotel rooms in Oceanside are currently under \$100 / night. Oceanside has far more affordable rooms as a percentage of its overall room stock compared with other coastal cities in the immediate area. Oceanside has no hotel rooms equivalent to three and four star accommodations. Many of the hotels in our area are aged and suffer from years of deferred maintenance due to the depressed nature of room rates. Much of our local crime and vice occurs in hotels with these very low room rates. Many of these structures are in dire need of revitalization. Several have owners who are now considering renovation. These owners will experience an extremely difficult process in securing adequate financing to renovate if they are financially penalized for seeking higher room rates or consider fractional ownership as part of their financing plans.

In closing, we recommend the Commission should examine the entire concept of affordable hotel accommodations very carefully and exercise the utmost caution before attempting to manipulate conditions in the hospitality industry already driven by challenging market forces.

We request you and your Commissioners consider our recommendations:

- 1.) Pass the amendments to the Oceanside local coastal plan without the "Fee in Lieu" provision
- 2.) With regards to conditions affecting time shares or fractional ownership units in the plan area, only pose conditions upon owners and property management which are logical, reasonable and achievable.
- 3.) Allow Oceanside to move forward with meaningful hotel development, achievable under current market conditions to meet the needs of its growing and varied visitors and guests.
- 4.) If you continue to propose a "Fee in Lieu" program, develop a model that incorporates a case by case analysis and avoids "blanket" policies.

Very Truly Yours,

Signature on File

Cc: Mayor Jim Woods, City of Oceanside

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DEC 07 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT*David C. Anderson*

4759 Galicia Way..Oceanside, CA 92056

Telephone: (760) 643-1415 e-mail: rrdca@sbcglobal.net

December 07, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA. 94105-2219

Mr. Pat Kruer:

The purpose of this letter is to protest the preposterous "fee" of \$30,000.00 per door relative to Oceanside's proposed amendment to the Local Coastal Plan regarding the approval progress of the proposed new hotel development by S.D. Malkin, for the following reasons:

- The amount of the fee is obscene.
- There are too many burdensome operational and managerial requirements that are unnecessary.
- Oceanside has just as many affordable rooms in the community as other nearby non-coastal cities. This is an advantage as prices for everything are usually higher the closer to the beach.
- If Oceanside is to "clean up" its city and image its important to allow building of an upper end hotel to eliminate some of the down town blight without excessive and arbitrary additional costs.

As a general note, it's important for local, county, state and federal governments to review and reduce expenditures instead of concentrating solely on revenues such as \$30,000.00 fees, supplemental sales taxes, bonds, etc.

Thank you.

Yours truly,

www.sbcglobal.net

Commission to File

Signature on File

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DEC 07 2007
California Coastal Commission
San Diego Coast District

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December 7, 2007

Deborah Lee, South Coast Deputy Director
California Coastal commission
7575 Metropolitan Dr. Suite 103
San Diego, Ca 92108

Fax 619 767-2384

Dear Ms. Lee,

Please approve the Oceanside Local Coastal Plan amendment as submitted by the City of Oceanside. It is necessary for this plan to be approved as a preliminary to moving forward with the redevelopment of downtown Oceanside, including the construction of the proposed resort hotel by S. D. Malkin.

The vast majority of residents and business owners in Oceanside feel that if this plan fails, it will do a great deal of harm to the wonderful revitalization that we have seen in downtown Oceanside in the last five years.

Please don't condemn us to stay an economically depressed area on the coast. We have a lot of low cost motels, but not much to bring in the businesses that will make us a healthy and vital area.

Thank you for your time and consideration.

Please include this letter in the staff report attachments.

Signature on File

Board Chair of MainStreet Oceanside

731 N. Tremont St
Oceanside, Ca 92054
760 721-7202

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DEC 10 2007

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

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December 7, 2007

Mr. Pat Krue, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105 2219

RECEIVED
DEC 10 2007
JAY CRAWFORD
SAN FRANCISCO, CALIF.

Dear Mr. Krue:

I am writing to urge you to support Oceanside city's staff recommendation for approval of the proposed amendment to the Local Coastal Plan and "NO \$30,000 FEE." It is my opinion that this fee would be an enormous disincentive for hotel and motel owners to expand and upgrade their properties, and I believe it would place in jeopardy all new hotels and remodels of existing hotels. I don't feel they should be penalized for attempting to improve their Oceanside properties.

Please consider this urgent request to approve the proposed amendment to the LCP and "NO \$30,000 FEE."

Respectfully,

1

Signature on File

Oceanside, CA 92057
(760) 439-7766
jaycrawford867@cox.net

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DEC 10 2007

CALIFORNIA
COASTAL COMMISSION
SAN FRANCISCO

December 7, 2007

Mr. Pat Kruer, Chairman
California Coastal Commission
45 Fremont Street
Suite 2000
San Francisco, CA 94105 2219

Dear Mr. Kruer:

I am writing to urge you to support Oceanside city's staff recommendation for approval of the proposed amendment to the Local Coastal Plan and "NO \$30,000 FEE." It is my opinion that this fee would be an enormous disincentive for hotel and motel owners to expand and upgrade their properties, and I believe it would place in jeopardy all new hotels and remodels of existing hotels. I don't feel they should be penalized for attempting to improve their Oceanside properties.

Please consider this urgent request to approve the proposed amendment to the LCP and "NO \$30,000 FEE."

Respectfully,

Signature on File

Oceanside, CA 92057
(760) 439-7766
romal465@cox.net

70

W19a

December 7, 2007

Deborah N. Lee
District Manager
California Coastal Commission
7575 Metropolitan Drive, Suite 103
San Diego, CA 92108-4421

Re: City of Oceanside LCPA-1-07

Dear Ms. Lee:

While the majority of Oceanside's proposed Local Coastal Plan Amendment (LCPA) are zoning text clean-up items the focus of your suggested modifications are related to the issue of fractional time shares and condo hotels. While the City of Oceanside will agree with some of the staff's Suggested Modifications, we do not believe that the majority of them are fair or acceptable.

Suggested Modifications #1, 2 & 3

The Suggested Modifications include new definitions for Condominium Hotels and the replacement of the term "Limited Use Overnight Visitor Accommodations" for what the City had proposed as an "Integrated Resor". Therefore, in concept, we are in agreement with Suggested Modifications #1; new definition of Condominium Hotel; and #2 and #3 which replace the term "Integrated Resort" with "Limited Use Overnight Visitor Accommodation".

Suggested Modifications #4

The City is in partial agreement with Suggested Modification #4, requiring CC & R's to be recorded with the tract map, with the exception of the last sentence which we would request striking (see attachment #1). The City's definitions already describe the summer season requirement. The City particularly disagrees with the proposed in-lieu fees.

It has been consistently the City's position that Oceanside has an overabundance of lower cost visitor serving accommodations and the proposed hotel project does not displace or take away a potential site for lower cost accommodations.

In fact, the Local Coastal Program, Section II, A. Coastal Act Policies, B. Major Findings, #16 states:

"While there appears to be an adequate inventory of lower and moderate cost visitor accommodations on the beach, the City lacks a high quality tourist destination hotel in the beach area".

This is true today, which is why the City acquired privately owned land on Pacific Street to build a high quality destination hotel in the Nine Block Master Plan area. In addition, LCP General Policy #17 states:

- a. A 2-phase tourist and business visitor hotel, with between 120 and 150 units; per phase;
- b. Visitor-serving commercial facilities shall be provided at a minimum of 81,000 square feet;
- c. Development in Subdistrict 12, shall be master-planned to insure a minimum intensity of visitor-serving commercial facilities to include at least:
 1. 92 hotel rooms, and
 2. 33,600 square feet of visitor serving commercial space

With this LCP policy, subdistrict 12 was never anticipated to be a lower cost visitor serving accommodation site. The proposed project does not take away a site that had any potential for being a lower cost site.

The City's LCP recognized that there was a need for a high quality tourist destination hotel in the beach area. In addition, the PKF market demand study that was done for the City recognized the need for a higher quality hotel, based upon occupancy and demand.

The staff report suggests that the City is not in compliance with LCP, Section II, A. Coastal Act Policies, C. Objective and Policies, policy #26:

"The City shall protect a minimum of 375 lower cost hotel and motel units and 220 recreational vehicle/camping sites with the coastal zone. Twenty percent of those hotel motel units shall be maintained in shorefront locations. The City shall not allow any demolitions of affordable hotel/motel units which would allow the coastal zone inventory of such units to drop below the number required by this policy. In order to verify its compliance with this policy, the City shall report the inventory of affordable hotel/motel units to the Coastal Commission on an annual basis."

Coastal staff has already recognized in a previous staff report in 2002, that "although not technically shorefront, all of the identified hotel/motel units are at Coast Blvd. or seaward and are, thus, in near shore areas." This definition of the "Shorefront" allows for the "twenty percent" of the lower cost units to be up to Coast Highway. This results in the City being well over the minimum.

In the last ten years two new hotels have been built in the Coastal Zone adding 144 lower cost rooms, and an additional 177 lower cost rooms were built just outside of the Coastal Zone.

The City currently has 503 lower cost hotel and motel units in the Coastal Zone, which are 128 units over the required 375, plus 336 Recreational Vehicle/camping sites and 4 tent camp sites. The numbers of lower cost units have actually increased since 2002, not decreased. Therefore, the City disagrees with the assertion, by Coastal staff that the LCPA is inconsistent with the City's certified LUP.

Suggested Modifications #5 & 6

The City does not agree with the suggested modification #5, which proposes an in-lieu fee for 50% of the total of new overnight visitor accommodations regardless of whether or not they have condo hotel or fractional timeshare units. In addition, the City does not agree with suggested modification # 6 which is the in-lieu fee.

The City of Oceanside has demonstrated that of all the Cities in the California Coastal, Oceanside has the largest percentage, 90.6% of lower cost units. In the last 10 years we have actually increased the number of lower cost units in the Coastal Zone. An in-lieu fee would affect all future overnight accommodations wanting to redevelop and the development of new sites within the Redevelopment Project Area. This would completely defeat the purpose and the goals of the City's Redevelopment Plan.

In addition, the imposition of these fees would hamstring the City's ability to meet another LCP, policy #10 which states:

"The City shall continue to promote coastal tourism through the revitalization of the coastal area and upgrading of visitor amenities".

By imposing an in-lieu fee owners would not be inclined to re-develop or develop properties because it would be cost prohibitive.

Suggested Modifications #7

The City also does not agree with the some of Suggested Modifications #7 which is primarily the operations and management of the condo hotel units. The City's hotel consultants reviewed many of the management practices identified with these sections. Based upon their input we have added some language that will make this section more in line with Securities Exchange Commission and commercially practical. We would request that the Coastal Commission approve the attached Revised Suggested Modifications #7. This is similar language to what the Coastal Commission approved for KSL's Encinitas project.

Suggested Modifications #8

The City does not agree any portion of the Suggested Modifications #8, which is the operation and management of the fractional time share units. The proposed restrictions on fractional time shares have had little testing to assure that they are operationally effective and there is concern that they would effectively eliminate the ability to operate the Fractional timeshares.

In addition, the City of Oceanside allows for the use of timeshare units in the Zoning Ordinance. The City proposed definition for the use of Fractional time shares, to be permitted in a larger complex, was to allow the hotel rooms to fulfill the 25% summer requirement. In addition the city imposed other restrictions such as disclosure regarding the limitation on no more than 29 days in a 60 day period and no more than 90 days in a year. The City believes that the proposed LCPA language adequately addresses the use of timeshares with the additional regulations. The Coastal staff suggested modifications are unreasonable. Especially, since the City already allows for timeshare units in the certified LUP.

The Coastal Commission Staff report believes that there is an increasing tendency in the state to convert existing coastal facilities into membership or ownership uses. While this may be true in other Cities, this has not been the case in the City of Oceanside.

The City's proposal to allow a modicum of fractional timeshares and condo hotels in a 336 unit hotel project plus 48 fractional time shares, should not be an opportunity to impose a \$30,000 fee and onerous operating requirements over the entire Oceanside Redevelopment Project Area.

The Coastal Commission has previously imposed or negotiated fees on specific projects only, and not across an entire project area or City.

The City can accept the Suggested Modifications #1, 2 & 3 and as revised for #4 & 7 and would request that #5, 6 & 8 be deleted. Please see attached.

Should you have any questions please give me a call me at 760-435-3355 or Kathy Baker, Redevelopment Manager at 760-435-3547.

Sincerely,

Signature on File

Economic & Redevelopment Director

cc: Peter Weiss, City Manager
Kathy Baker, Redevelopment Manager

SUGGESTED MODIFICATION #4

Add Article 4a (Redevelopment) Section 450 Visitor Accommodations – Special Requirements, as follows:

Limited Use Overnight Visitor Accommodation Projects – will be required to prepare Covenants, Conditions, and Restrictions (CC&R's) that shall be recorded concurrently with the recordation of all tract maps against all individual property titles reflecting the use restrictions and will conform to the restrictions outlined below, including how the transient overnight requirement for summer season will be satisfied and how the required in-lieu fees will be managed.

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SUGGESTED MODIFICATION #7

Add Article 4a (Redevelopment) section 450 Visitor Accommodations-Special Requirements, as follows:

5. Condominium Hotels. Such development is subject to the following conditions/restrictions:

- a) Any hotel rooms for which a certificate of occupancy has been issued at the effective date of adoption of this Section shall not be permitted to be converted to a Limited Use Visitor Overnight Accommodation. Nothing in the preceding sentence shall prohibit, on and after the effective date of adoption of this Section, the conversion of hotel rooms in an approved Limited Use Overnight Visitor Accommodation to timeshare, fractional or condominium-hotel units; provided that after any such conversion, the ratio of timeshare, fractional and condominium-hotel units does not exceed that required under the definition of "Limited Use Visitor Overnight Accommodations" in effect as of the date of approval of the project' without an approved amendment to the coastal development permit for the project.
- b) A maximum of 25% of the total number of guestrooms/units in the total project as a whole may be subdivided into condominiums and sold for individual ownership.
- c) The hotel owner/operator shall retain control and through ownership, lease or easements of all structures, recreational amenities, meeting space, restaurants, "back of house" and other non-guest unit facilities. When the Condominium-Hotel is located on land owned by the City, the hotel owner/operator shall be a leaseholder of the land upon which the Condominium-Hotel exists.
- d) The Condominium-Hotel facility shall have an on-site hotel operator to manage rental/booking of all guestrooms/units booking of all hotel guestrooms and all condominium hotel units, regardless of if the owners of such condominium hotel units have engaged the hotel operator as their rental agent. Whenever any individually owned condominium hotel unit is not occupied by its owner(s) or their guests, that unit shall be available for hotel rental by made available for rental, by its owner or its owner's rental agent, for rental to the general public on the same basis as are comparable accommodations for a reasonable fair rental rate. All Owners of condominium hotel units, and their rental agents, must comply with the following restrictions: (i) marketing and advertisement of such units must be the same or comparable to marketing and advertisement of units by the hotel operator; (ii) Unit owners shall not discourage rental of their unit or create disincentives meant to discourage rental of their unit; (iii) The unit owner shall inform the hotel operator of all rental reservations made independently of the hotel operator, and the a traditional hotel room.
- e) The hotel operator shall market and advertise all rooms to the general public. Unit owners may also independently market and advertise their units but all booking of reservations shall be made by and through the hotel operator.
- f) The hotel operator shall manage all book all unit reservations, in the hotel operator's reservation database, a service for which the hotel operator may charge the unit owner a reasonable fee; (iv) The hotel operator shall maintain records of usage for all units, and

shall be solely responsible for reporting Transient Occupancy Taxes for all units, services for which the hotel operator may charge the unit owner a reasonable fee."

c) The hotel operator and any individual condominium hotel unit owner who elects not to use the rental services of the hotel operator, shall market and advertise their accommodations to the general public for rent.

d) With respect to those condominium-hotel units the owners of which have retained the hotel operator as their agent, the hotel operator shall manage those guestrooms/units as part of the hotel inventory, which management will include the booking of reservations, mandatory front desk check-in and check-out, maintenance, cleaning services and preparing units for use by guests/owners, a service for which the hotel operator may charge the unit owner a reasonable fee.

g) If the hotel operator is not serving as the rental agent for an individually owned unit, then the hotel operator shall nevertheless have the right ~~working through~~ to refer public renters to the owner of the individually owned units' owners or their designated agents unit, or to such owner's rental agent, to book any unoccupied room to fulfill demand, at a rate similar to comparable accommodations in the hotel. The owner or an owner's rental agent may not withhold units from use. In all circumstances, the hotel operator shall have full access to the condominiums' reservation and booking schedule for each condominium hotel unit so that the hotel operator can fulfill its referral, booking and management obligations hereunder.

h) All guestrooms/unit keys shall be electronic and created by the hotel operator upon each new occupancy to control the use of the individually owned units.

i) ~~Unit owners shall not discourage rental of their unit or create disincentives meant to discourage rental of their unit.~~

j) ~~All individually owned hotel units shall be rented at a rate similar to that charged by the hotel operator for the traditional hotel rooms of a similar class or amenity level.~~

k) ~~The hotel operator shall maintain records of usage by owners and renters and rates charged for all units, and shall be responsible for reporting Transient Occupancy Taxes based on records of use for all units, a service for which the hotel operator may charge the unit owner a reasonable fee.~~

l) Each individually owned hotel unit shall be used by its owner(s) (no matter how many owners there are) for not more than 90 days per calendar year with a maximum of 29 consecutive days of use during any 60 day period.

m)

n) The use period limitations identified in (h)(i) above, shall be unaffected by multiple owners or the sale of a unit to a new owner during the calendar year, meaning that all such owners of any given unit shall be collectively subject to the use restriction as if they were a single, continuous owner.

n)

k) No portion of the Condominium-Hotel may be converted to full-time occupancy condominium or any other type of Limited Use Overnight Visitor Accommodations or other project that differs from the approved Condominium-Hotel, other than as provided for in Section 5(a), above.

o)

l) Prior to issuance of a building permit and in conjunction with approval of a coastal development permit for the Condominium-Hotel, the landowner(s) of the property(ies) within the Downtown "D" District upon which the traditional units/rooms (i.e. transient hotel rooms) are developed shall execute and record a deed restriction(s), subject to the review and approval of the Economic Development and Redevelopment Director ~~and the Executive Director of the Coastal Commission~~, which prohibits the conversion of those traditional hotel units/rooms to any other type of ownership (e.g. limited use overnight visitor accommodations) without an approved Coastal Development Permit. The deed restriction shall be submitted for review and approval of the Economic Development and Redevelopment Director ~~and the Executive Director of the Coastal Commission~~ prior to action on the coastal development permit. The deed restriction shall run with the land, shall be executed and consented to by the existing lessee(s) of the affected property(ies) and shall be binding on the landowner(s) and lessee(s), and on all successors and assigns of the landowner(s) and lessee(s), including without limitation any future lienholders. This deed restriction(s) shall not be removed or changed without approval of an amendment to the underlying coastal development permit and approval of an amendment to the LCP by the Coastal Commission. However, minor changes that do not conflict with subsections a) and n) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director ~~and the Executive Director of the Coastal Commission~~ that such an amendment is not legally required.

p)

m) The hotel ~~owner/operator~~ owner shall be required to submit, prior to issuance of a coastal development permit, for the review and approval of the Economic Development and Redevelopment Director, a Declaration of Restrictions or CC & R's (Covenants, Conditions & Restrictions) Restrictions either of which shall include:

1. All the specific restrictions listed in a) through n) l) above;
2. Acknowledgement that these same restrictions are independently imposed as condition requirements of the coastal development permit;
3. A statement that provisions of the CC & Rs/Declaration of Restrictions that reflect the requirements of a through n) above cannot be changed without approval of an LCP amendment by the Coastal Commission and subsequent coastal development permit amendment. However, minor changes that do not conflict with a) – n) l) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director that an amendment is not legally required. If there is a section of the ~~CC&Rs/Declaration~~ CC&Rs/Declaration of Restrictions related to amendments, and the statement provided pursuant to this paragraph is not in that section, then the section on

amendments shall cross-reference this statement and clearly indicate that it controls over any contradictory statements in the section of the Declaration/CC&R's on amendments.

q)

n) The CC & R's or Declaration of Restrictions described above shall be recorded against all individual property titles simultaneously with the recordation of the condominium airspace map.

r)

o) The provisions of the CC & R's or Declaration of Restrictions described above shall not be changed without approval of an amendment to the LCP by the Coastal Commission. However minor changes that do not conflict with a) through p) above may be processed as an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director and Executive Director that an amendment is not legally required.

~~s) The hotel owner/operator or any successor in interest shall maintain the legal ability to ensure compliance with the terms and conditions stated above at all times in perpetuity and shall be responsible in all respects for ensuring that all parties subject to these restrictions comply with the restrictions. Each owner of an individual guest room/condominium unit is jointly and severally liable with the hotel owner operator for any and all violations of the terms and conditions imposed by the special conditions of the coastal development permit with respect to the use of that owner's unit. Violations of the coastal development permit can result in penalties pursuant to Public Resources Code Section 30820.~~

t)

p) All documents related to the marketing and sale of the condominium interests, including marketing materials, sales contracts, deeds, CC & Rs and similar documents, shall notify buyers of the recording information of the project documents which provide that following:

~~1. Each owner of any individual hotel unit is jointly and severally liable with the hotel owner operator for any violations of the terms and conditions of the coastal development permit with respect to the use of that owner's unit; and~~

~~2. The occupancy of the units by owner(s) is restricted to 90 days per calendar year with a maximum of 29 consecutive days of use during any 60 day period, and when not in use by the owner, the unit shall be made available for rental by the hotel operator to the general public pursuant to the terms of the coastal development permit and that the coastal development permit contains additional restrictions on use and occupancy.~~

u)

q) The hotel owner/operator owner and any successor-in-interest hotel owner and operator, and each future individual unit owner shall obtain, prior to sale of individual units, a written acknowledgement from the buyer that occupancy by the owner is limited to 90 days per calendar year with a maximum of 29 consecutive days of use during any 60 day period, that the unit must be available for rental by the hotel operator to the general public when not occupied by the owner, and that there are further restrictions on use and occupancy in the coastal development permit and the CC & R's or Declaration of Restrictions.

77

v)

r) The hotel owner/operator and any successor-in-interest hotel owner and operator shall monitor and record hotel occupancy and use by the general public and the owners of individual hotel units throughout each year. The monitoring and record keeping shall include specific accounting of owner usage for each individual guestroom/unit. The records shall be sufficient to demonstrate compliance with the restrictions set forth in a through n above. The hotel owner-operator shall also maintain documentation of rates paid for hotel occupancy and of advertising and marketing efforts. All such records shall be maintained for ten years and shall be made available to the City and the Executive Director of the Coastal Commission upon request and to the auditor required by section w below. Within 30 days of commencing hotel operations, the hotel owner-operator shall submit notice to the Economic Development and Redevelopment Director and to the Executive Director of the California Coastal Commission of commencement of hotel operations.

w)

s) Within 90 days of the end of the first calendar year of hotel operations, and within 90 days of the end of each succeeding calendar year, the hotel owner-operator shall retain an independent auditing company, approved by the Economic Development and Redevelopment Director, to perform an audit to evaluate reasonable compliance with special conditions of the coastal development permit which are required by this Section regarding occupancy restrictions, notice, recordkeeping, and monitoring of the Condominium-Hotel. The audit shall evaluate reasonable compliance by the hotel owner/operator and owners of individual hotel units during the prior one-year period. The hotel owner/operator shall instruct the auditor to prepare a report identifying the auditor's findings, conclusions and the evidence relied upon, and such report shall be submitted to the Economic Development and Redevelopment Director, for review and approval, and shall be available to the Executive Director of the Coastal Commission upon request, within six months after the conclusion of each one year period of hotel operations. After the initial five calendar years, the one-year audit period may be extended to two years upon written approval of the Economic Development and Redevelopment Director. The Economic Development and Redevelopment Director may grant such approval if each of the previous audits revealed compliance with all restrictions imposed above.

x)

t) If the hotel owner and the hotel operator at any point become separate entities, the hotel owner and the hotel operator shall be jointly and severally responsible for ensuring compliance with the requirements identified above.

~~If the hotel owner and hotel operator become separate entities, they shall be jointly and severally liable for violations of the terms and conditions (restrictions) identified above.~~

y)

u) A coastal development permit application for a Condominium-Hotel shall include a plan specifying how the requirements outlined in Article 4 Section 4050 of the Zoning Ordinance will be implemented. The plan must include, at a minimum, the form of the sale, deed ~~and CC&~~ and/or CC&Rs/Declaration of Restrictions that will be used to satisfy the requirements and the form of the rental program agreement to be entered into between the individual unit owners and the hotel owner/operator. The plan must demonstrate that the applicant will establish

mechanisms that provide the hotel operator and any successor-in-interest hotel operator adequate legal authority to implement the requirements of Article 4 Section 4050 of the Zoning Ordinance above. An acceptable plan meeting these requirements shall be incorporated into the special conditions of approval of any coastal development permit for a Condominium-Hotel. Any proposed changes to the approved plan and subsequent documents pertaining to compliance with and enforcement of the terms and conditions required by Section Article 4 Section 4050 of the Zoning Ordinance and this section including deeds and and/or CC&Rs/Declaration of Restrictions shall not occur without an amendment to the coastal development permit, unless it is determined by the Economic Development and Redevelopment Director that an amendment is not legally required.

z)-In-Lieu Fee Required

1. New development of overnight accommodations that are not "lower cost" shall be required to pay, as a condition of approval of a coastal development permit, an in-lieu fee to provide significant funding to assist in the creation of a substantial contribution to lower cost overnight visitor accommodations within City limits. The specific dollar amount of the fee shall be \$30,000 in 2007 dollars (which shall be adjusted annually to account for inflation i.e. according to increases in the Consumer Price Index U.S. City Average) per room for 25% of the total quantity of proposed units.

2. Prior to issuance of the coastal development permit, and upon execution of an appropriate agreement between the City and the designated recipient that assures use of the in-lieu fee for the intended mitigation, the applicant shall transfer the fee to the entity designated in the agreement, which shall be the City of Oceanside, the California State Department of Parks and Recreation, Hostel International USA, or similar public agency and/or non-profit provider of lower cost overnight visitor accommodations. If the in-lieu fee, or any portion thereof, is not committed toward a use (i.e. with an effective agreement in place for use toward an identifiable project) within ten year of payment of the fee, the in-lieu fee shall be made available to be applied toward lower cost overnight visitor accommodations.

3. Limited Use Overnight Visitor Accommodations (including Condominium Hotels) will also be required to pay an in-lieu fee of 1% of the resale cost of the individual unit every time the unit changes ownership.